



House Committee on Taxation

Testimony in Opposition to House Bill 2727

Presented by Eric Stafford, Vice President of Government Affairs

Thursday, March 12, 2020

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state.

The Kansas Chamber appreciates the opportunity to testify in opposition to House Bill 2727. We appreciate the legislation in respect to starting the discussion on what this bill does, which is broaden the state's tax base and begins looking at the overall policy decision regarding sales tax exemptions.

However, just like House Bill 2685 which imposed sales tax on digital goods, HB 2727 is only part of the discussion on comprehensive tax reform. HB 2727 only looks at preventing future sales tax exemptions, while also subjecting new services to sales tax, all without using revenue to lower rates.

We would encourage this committee to consider the whole picture when deciding what tax policy changes to implement to make Kansas more attractive for investment, rather than simply broadening the base to generate more revenue which HB 2727 does.

We appreciate the opportunity to submit testimony in opposition to House Bill 2727 and are happy to answer any questions.