

# KIDS NEED TO EAT, INC. (KN2E)

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El Dorado, KS 67042

## SB123 - Testimony for Senate Committee on Assessment and Taxation

Esteemed Chairman Tyson and Members of the Committee:

Kids Need To Eat, Inc. is a 501(c)(3) Kansas nonprofit. Since 2013 we have distributed free meals to kids during the summer – to help replace meals that many eat for free at school. Last summer we distributed over 10,000 meals in Butler County, KS.

At many elementary schools in my community, over 70% of students are blessed to eat free or reduced price meals at school. In the summer, many families struggle to replace those meals.

### Early brain development is the foundation for the rest of a child's life.

- Children need nutritious meals for the healthy development of their bodies and brains.
- Kids who don't get enough healthy food to eat are more likely to struggle in school, get sick, have behavioral problems, and get into fights.

Multiple hunger surveys of 6th grade students in our community found many kids don't have enough to eat, and skip meals due to lack of food at home.

The Kansas sales tax applies to all foods. **Food distribution nonprofits like KN2E are NOT eligible for a sales tax exemption.** While there is an exemption for a "food distributor to food distribution programs," such as the Kansas Food Bank, nonprofits not otherwise exempt, such as a church-based program, must pay sales taxes on food purchases. KSA 79-3606(iii).

### Sales taxes are handicapping our ability to improve the quality and quantity of free summer meals we serve children.

- We are an all-volunteer nonprofit with no overhead and less than 1% in administrative costs.
- For every \$100 donated to KN2E to feed children, almost \$8 goes to paying state and local sales taxes on the food we buy in Butler County.
- Our budget for 2019 is \$27,500. If we pay 8% sales tax, we would pay over \$2000. We could purchase 363 additional weekend backpacks with an extra \$2000.
- KN2E is unique in being a meals program not sponsored by a church, school, or otherwise exempt non-profit.

**We cannot afford to purchase fresh foods locally** to supplement the highly processed, shelf-stable meals that we acquire through the Kansas Food Bank (which come from out of state).

Free summer meal programs for kids help combat childhood obesity, and help them return to school more ready to learn.

Thank you for considering this information in support of exempting Kids Need To Eat, Inc. from state and local sales taxes in Kansas.

Regards,  
