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KANSAS NATIONAL EDUCATION ASSOCIATION / 715 SW 10TH AVENUE / TOPEKA, KANSAS 66612-1686

Mark Desetti, testimony  
Senate Bills 184 and 197  
Senate Committee on Assessment and Taxation  
March 7, 2019

Madame Chair, members of the Committee, thank you for the opportunity to share our thoughts on Senate Bills 184 and 197. We appear neutral on these bills not because we don't hope to see the Legislature address the high food sales tax in Kansas but because we hope that you will look at tax issues in a global fashion.

Kansas NEA supports reducing the sales tax burden on food for Kansas families for several reasons.

The sales tax is a regressive tax putting more pressure on low-income individuals and families than on the wealthy. This is particularly true when it comes to buying groceries - something everyone must do.

Kansas has the second highest food sales tax in the nation and as such it drives the cost of foods up, putting pressure on family budgets.

We believe that eating habits are impacted by the food sales tax. We believe that dietary choices can change when the cost of food is lowered. It would be our hope that many people would choose healthier foods - fresh fruits and vegetables, for example - over processed products if lowering the tax makes those items more affordable.

Either of these proposals will help working families. SB 184 is a more targeted approach helping those with disabilities, seniors, and low-income families with children. SB 187 provides help to all Kansans. Both proposals are worthy of discussion.

We would also hope that you might seek a way to make any change revenue neutral. You have many issues to address - the crisis in our correctional institutions, reform of our foster care system, funding schools to meet the Gannon decision, and restoring the highway fund to name a few. You still need a revenue stream to fund a budget that can address these issues.

One way the House has taken to at least partially offset the revenue loss created by lowering the food sales tax is to craft a new internet sales tax provision that meets the Wayfair decision.

Again, we appreciate your concern for the impact of our high food sales tax on families and hope that you will find a way to address this issue while also providing for the multiple needs of the State of Kansas.