



4660 Bauer Farm Dr. • Lawrence, KS • 66049
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TESTIMONY REGARDING SALES TAX EXEMPTION REQUEST

Theatre Lawrence is one of a handful of Kansas theaters that function as 501(c)(3) institutions and operates as a small independent business. We are not part of a larger organization such as the city, county or a university. Therefore we are dependent on earned revenue from ticket sales, educational class fees for children and adults, and rentals. We also receive donations from local supporters and occasional grants.

Theatre Lawrence was established in 1977, and moved into a renovated church in 1984 for a 30 year span. By 2013 Theatre Lawrence had raised \$7.2 million in private gifts and grants to construct and open a 35,000 square-foot theater/education facility in West Lawrence. Less than 2% of this funding came from public sources.

Theatre Lawrence partners with volunteers to create and deliver extraordinary theatre and education programs that engage community members of all ages and backgrounds as audience members and participants. We strive to provide performers opportunities to hone their talents, to encourage youth of all ages and backgrounds to explore their theatrical interests, and to engage our audiences with entertaining and thoughtful productions.

Currently, Theatre Lawrence pays sales tax on everything it purchases as well as on every ticket it sells. In our location that means that we are paying 10.3% on everything we buy and sell.

Our budget prior to the pandemic was close to \$1 million. We employed five full-time and four part-time staff members and approximately 40 contract and teaching artists. Our payroll exceeded \$330,000. For the past two years government disaster relief programs including PPP & SVOG have helped Theatre Lawrence maintain most of its staff and continue to provide what theatrical productions and education opportunities were possible to the Lawrence and Douglas County community.

However, after almost two years of severely restricted attendance by government mandate and continuing public concerns about Covid, our attendance remains down about 54% and our ability to retain employees and purchase needed materials in the future is in jeopardy.

A sales tax exemption would help Theatre Lawrence enormously. We have watched local lumber prices double in the last few months. Paint, hardware, fabric and all our local purchases have gone up in price as well. We are having to redesign and reduce the quality of our sets and costumes, and as a result cut back on local purchases and expenses. We estimate that the proposed sales tax exemption would provide us with an additional \$30,000. Having the proposed

Board of Directors: Tom Beisecker, Christine Bial, Justin Cordova, Brandon Eisman, Lee Eldridge, Genee Figuietas, Jane Henry, Amy Kelly, Teresa Kempf, Joseph Mastro Simone, Bob Newton, Nancy Peterson, Jean Shepherd, Sherri Soule, Jeff Sigler, Rob Sturgeon, Debbie Walker Ex Officio Charles Whitman, Executive Director, Mary Doveton



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sales tax exemption would enable us to maintain the quality of our productions and other services as well as reinvesting that money in the Lawrence economy.

The arts hold a unique position in their ability to bring communities together to help each other, laugh, share empathy, and sing. We are committed to providing Lawrence, Douglas County and the surrounding area quality theatrical productions that both entertain and stimulate thought for our audience. We strive to serve our community and to enhance its general quality of life.

While my understanding is that this exemption with not have a substantial impact on state revenues, it would have a huge impact on our Theatre's daily operations.

Respectfully,
Mary Doveton
Executive Director, Theatre Lawrence