



**Overland
Park
Chamber™**

To: Representative Adam Smith, Chair, House Taxation Committee
From: Kevin Walker, Senior Vice President of Public Policy
Overland Park Chamber of Commerce
Date: 2 March 2022

Chairman Smith and Members of the Committee. Thank you for the opportunity to provide testimony in support of HB 2711.

The State of Kansas has the one of the highest food sales tax rates in the nation and this puts us at a competitive disadvantage with our neighboring states – each of which has a lower rate than our 6.5% state levy on food. Add in local taxes and the tax rate on food surpasses 10% in many of our communities.

For the most economically vulnerable in Kansas the high tax rate on food is regressive. Making the changes proposed in HB 2711 can put more money back into the pockets of our lower income residents. The money they save can on this regressive tax can instead be used to purchase other essential items in the community and/or assist them in achieving financial stability. Either way, the long-term outcome is beneficial to the individuals and to our state.

The Overland Park Chamber believes a fiscally prudent approach to lowering the food sales tax is important. While we currently are enjoying record budget surpluses and strong revenue numbers, global instability and other pressures on our economy could change our fiscal position.

We believe HB 2711 begins to move our food sales tax to zero while doing so in a financially responsible manner and for that reason we are pleased to offer our support.