



Taxation Committee

February 7, 2023

Dear Chairman Smith and Members of the Committee on Taxation,

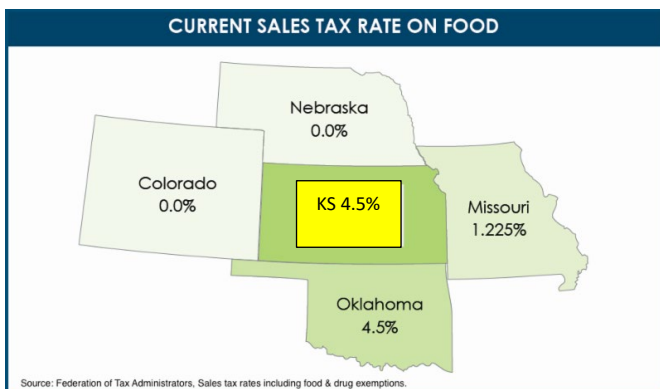
My name is Jon McCormick, President and CEO of the Retail Grocers Association of Kansas and Missouri. I am writing you today to ask you to support Bill 2111, expediting the reduction of the Food Sales Tax in the State of Kansas and including exempting those necessities at home, diapers, and feminine hygiene products.

I represent most of the Independent Kansan Supermarket and Convenience store sales in the State of Kansas and most of my members are the “Salt of the Earth” family business owners in the tough Kansas Supermarket and Convenience store business.

This Bill is not unfamiliar to anyone. It is a continued emphasis on helping families reduce their cost of food items in the store. The people who spend most of their food dollars in grocery stores, are the people who need this implementation of the reduction in the food tax sped up. They cook meals at home and rarely can afford to eat out. Per the KS Legislative Research Department, in the November 2022 revenue estimates reported, “the consumer price growth in CY is growth forecast for 2023 and 2024 is now forecasted to be 5.0 percent and 4.0 percent respectively....” Inflation in the grocery stores in 2022, per the USDA Economic Research Service report, states: “food prices were 10.4% higher than 2022.” Prices, if they do go down, it will be insignificant in the scheme of things in Kansas. We need to help Kansans fight the inflation of food prices.

There is an additional reason to speed up the reduction of the food sales tax.

As you are aware, the current tax on food as just another wedge between the Kansas Retailer and the border retailers in Colorado, Nebraska, Missouri, and Oklahoma. In addition, Kansans are still among the higher taxed states in the U.S. In today’s inflationary environment, you as Legislators can help Kansans buffer that inflation by eliminating the tax on food and keep the food sales in Kansas. Help Kansans, Help Kansas Retailer



The Kansans that are within a reasonable drive to another State’s supermarket are taking the drive. Taking money out of the State of Kansas.

The Retailers near the border are at a distinct disadvantage, many have closed due to the economic pressure. The food tax structure is forcing Kansans that are near the border to drive across state lines for groceries. HB 2111 will help stop the migration, save Kansans fuel and food dollars, and save Kansas Retailers.

I ask you to support a plan to eliminate sales tax on Food in the State of Kansas

Thank you for your time today.

Jon McCormick, President/CEO, Retail Grocers Association KS & MO