



To: Chairman Adam Smith and Members of the House Committee on Taxation

From: David Jordan, President and CEO, United Methodist Health Ministry Fund

Date: February 7, 2023

RE: HB 2111

**Chairman Smith and Members of the House Committee on Taxation:**

Thank you for the opportunity to provide public comment on HB 2111 that aims to fully eliminate the sales tax on groceries in Kansas in 2023.

The United Methodist Health Ministry Fund (Health Fund) is a 37-year-old, \$60-million health philanthropy located in Hutchinson. Our mission is to improve the health of Kansans. We focus on three strategic areas—access to care, early childhood development, and Healthy Congregations, a program aimed at addressing community health by engaging churches throughout Kansas.

According to the Bureau of Labor Statistics, food prices have [risen 12% over the past year](#). Kansans are struggling with the high costs of groceries and other bills impacted by high inflation. The tax on groceries is a regressive tax that negatively impacts Kansans every time they check out at the grocery store. The Health Fund supports fair tax policy, including Governor Kelly’s plan to ‘Axe the Food Tax.’ We hope that you will support this effort and others that bring down costs for all Kansans.

At the same time, the state has healthy revenue projections and a strong ending balance forecasted, which means the state can afford to eliminate this tax now. It is fiscally responsible and critical to provide Kansans with tax relief that reduces their bills. It is in the interest of all Kansans to act quickly to fully eliminate the sales tax on food and make groceries more affordable.

Food taxes disproportionately impact low-income families. According to the [Center on Budget and Policy Priorities](#), “The lowest-income fifth of families (those making less than \$20,800) — who are disproportionately families of color due to historical and contemporary discrimination — pay almost eight times more as a share of their incomes in sales taxes than the top 1 percent of families (those making more than \$553,200), on average: 7.1 percent versus 0.9 percent.” Axing the food tax would save a Kansas family of four an average of \$500 each year.

By taking aggressive action to fully eliminate the sales tax on food, we could save Kansas families more than \$450 million over the next three years.

Beyond the economic benefits of eliminating the tax, making groceries more affordable will help make healthy food more available to Kansas families. Ensuring Kansas families are safe and have food and economic security is foundational for healthy development. Access to food, whether because of affordability or location, is a struggle for many Kansas families.

From our state’s [pregnancy and risk assessment report](#), we know that 31.2% of babies are born to Kansas families with annual incomes below 100% of the federal poverty level, and 22.5% of Kansas women reported having unmet basic needs during pregnancy. [Feeding America](#) reports that food insecurity in Kansas rose during 2020, and one in seven Kansas children faces food insecurity, meaning they do not know where their next meal will come from. Eliminating the food sales tax on groceries will help families address the challenges related to food insecurity by making groceries more

affordable for them. HB 2111 also eliminates the sales tax on diapers and women hygiene products, which would provide important tax relief and reduce financial stress on families struggling to address basic needs.

We hope policymakers from both sides of the aisle will support this initiative that will put extra money in Kansans' pockets without diverting resources from other state services or agencies.

Thank you again for the opportunity to provide public comment on HB 2111 and the need to take immediate action to eliminate the sales tax on groceries and other basic needs. Please let me know if you have any questions or if I can be of assistance.