

Grant County Commissioners

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March 8, 2023

- To: The Honorable Adam Smith, Chairman And Members of the House Committee on Taxation
- From: Marty Long, Chairman, Grant County Commissioners
- Re: HB 2421 AN ACT concerning sales and compensating use tax; relating to city and countywide retailer's sales tax; providing countywide retailer's sales tax authority for Grant county; amending K.S.A. 12-187 and 12-189 and repealing the existing sections.

Good afternoon, Chairman Smith and Members of the House Committee on Taxation. My name is Marty Long, and I serve as Chairman of the Grant County Commissioners.

On behalf of the Commissioners, I am pleased to provide written testimony as a proponent to HB 2421. This bill would authorize Grant county to submit the question of imposing a countywide retailer's sales tax and pledging the revenue received therefrom for the purpose of financing the construction or remodeling of a jail facility, to the electors of Grant county at an election to be determined. The tax imposed by this bill would sunset after all costs incurred in the financing of this facility have been paid.

Property Tax has always been the primary revenue source used to finance projects in Grant County. With an aging population, many of whom are on fixed income, the Commissioners would like to consider a countywide sales tax to finance a new jail facility. This revenue stream comes from the entire demographic and includes purchases from non-residents.

The Kansas Department of Revenue has estimated a 1% countywide sales tax would generate \$1.1M. Preliminary estimates indicate this is enough revenue to service debt on a new jail facility.

On behalf of the Grant County Commissioners, I thank the Members of the Committee for allowing me to provide testimony as a proponent to HB 2421.