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**HB 2219 Proponent Testimony to the House Taxation Committee on Wagering Losses
February 9, 2024**

Chairman Adam Smith and members of the House Taxation Committee:

Thank you for the opportunity to present testimony in support of HB 2219. The bill is aimed to harmonize the state's approach to wagering losses with federal guidelines, addressing a critical misalignment introduced in 2012.

In 2012, to compensate for revenue losses from tax exemptions for farmers and businesses, Kansas eliminated deductions for wagering losses, placing an undue burden on casino patrons. This decision was not revisited even after tax obligations for the previously exempt groups were reinstated, leaving casino goers at a disadvantage and questioning the state's commitment to equitable tax treatment.

Casinos play a significant role in Kansas's economy and job market which highlighting this shows how the state's inconsistent tax treatment of wagering losses compared to federal standards not only affects individual patrons but also impacts the economic contribution of the entire casino industry. The previous alignment of state tax practices with federal guidelines, which allows these deductions, should be restored to reflect the reinstated tax obligations of businesses and farmers.

It is vitally important to align state policies with federal standards to support the casino industry's contribution to the Kansas economy and to ensure equitable treatment for taxpayers who participate in casino gambling. By reinstating these deductions, the state would not only correct a significant oversight in its tax code but also reaffirm its commitment to supporting key economic sectors and the individuals they employ.

In conclusion, thank you for the consideration of HB 2219. We are requesting HB 2219 to be retroactive to Jan, 1, 2024. By addressing the tax equality issue, the committee has an opportunity to reinforce Kansas's commitment to equitable tax policy and the economic well-being of its residents and business.

Sincerely,



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