

**House Committee on Taxation  
Proponent Testimony on House Bill 2844  
Presented by Eric Stafford, VP of Government Affairs, Kansas Chamber**

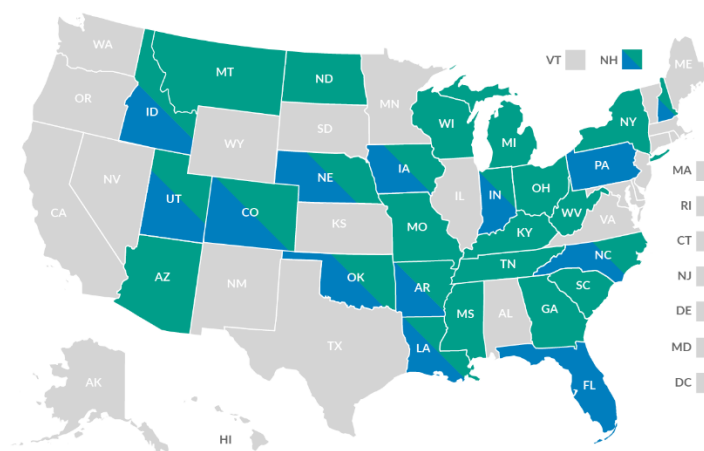
**Wednesday, March 20, 2024**

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large-sized businesses across the state, advocating for policies which improve the economic climate in Kansas. We appreciate the opportunity to provide testimony in support of House Bill 2844, a bill largely focused on providing income tax relief for Kansas taxpayers.

Both Republicans and Democrats in Kansas have called for tax relief for Kansans. According to an article last June by the Tax Foundation, 22 states have lowered their top marginal income tax rate since 2021, including. Several more are considering reductions this year. We applaud efforts by the Kansas Legislature to continue their push to make Kansas more competitive and attractive for economic investment, but we cannot ignore the steps surrounding states have taken. All surrounding states have lower top rates than Kansas does thanks to recent tax relief.

- Missouri: 4.5%
- Nebraska: 3.99%
- Iowa: 3.9%
- Colorado: 4.4% (voter approved ballot initiative)
- Oklahoma: 4.65%
- Arkansas: 4.7 (soon to be 4.4%)

**Income Tax Rate Reductions Enacted or Implemented, 2021-2023**  
As of June 7, 2023



Note: In Florida, a corporate income tax rate reduction was automatically triggered for 2021 only. Colorado's Taxpayer's Bill of Rights (TABOR) triggered a temporary individual and corporate income tax rate reduction for 2021. New Hampshire does not tax wage and salary income, but its tax on interest and dividends income is phasing out over time. Tennessee's tax on interest and dividends income was eliminated effective January 1, 2021. In Michigan, an automatic individual income tax rate reduction was triggered for 2023.  
Source: Tax Foundation.

**Individual Income Tax Reduction**  
**Corporate Income Tax Reduction**

In conclusion, we do applaud continued discussion on lowering taxes for Kansans, but we must not lose sight of the end goal- making Kansas more attractive for investment to improve economic growth. Thank you for the opportunity to testify in support of House Bill 2844, and I'm happy to answer questions at the appropriate time.