

Lea Gerard  
Kansas House  
Topeka, Kansas

RE: Testimony in support of HB 2134

My name is Lisa Studer and I am a resident of Wathena, Doniphan county, Kansas.

I would like to thank chairman Smith and the committee for giving me the opportunity to testify in support of HB 2134 regarding a sales tax exemption for replacement vehicles.

I recently purchased a vehicle which I had paid the sales tax and titled in Doniphan county Kansas. Unfortunately, less than 30 days later the vehicle was involved in a collision and was determined to be a total loss by the insurance company.

When I purchased a replacement vehicle within a couple of weeks I was again required to pay sales tax for the total price of the vehicle. So basically I paid sales tax twice within approximately 30 days but only one vehicle was able to be used.

The replacement vehicle was purchased in the state of Missouri and I was assured by the dealer that I would only have to pay sales tax on the difference between the sales prices of the two vehicles, as that was how the state of Missouri handled these situations. He said all I would need to do was provide a copy of the loss letter from the insurance company.

When I went to the courthouse in Troy Kansas, I was told that Kansas does not do this and that I would have to pay sales tax on the entire amount. The clerk at the courthouse said that they do have people bringing them loss letters and requesting the same exemption, but it was Kansas law that no exemption be given.

I am requesting that you consider this sales tax exemption as I feel it is an extra burden on Kansas residents who have already suffered a loss. Right now, the sales tax rate in Doniphan County is 8.5% and that adds up to a large amount of money quickly with the cost of vehicles today. Many Kansas citizens are elderly and on fixed incomes. This places a needless burden on them.

Thank you for giving me the opportunity and your time to express my concerns on this matter.

Lisa Studer