



**WRITTEN TESTIMONY**

**House Taxation Committee**

**HB 2585**

**AN ACT concerning sales taxation; relating to the taxation of services; excluding from taxation the service of installing or applying tangible personal property for the reconstruction, restoration, remodeling, renovation, repair or replacement of a building or facility.**

**Whitney Damron  
On behalf of  
J.E. Dunn**

[www.jedunn.com](http://www.jedunn.com)

February 7, 2024

Chairman Smith and Members of the Committee:

On behalf of the J.E. Dunn Construction Company, I am pleased to submit these remarks in support of HB 2585 that would provide a tax exemption for certain remodeling, restoration, and repair of buildings or facilities.

Legislation such as this has been before the Kansas Legislature on numerous occasions over the years and has typically fallen by the wayside due to the fiscal note.

J.E. Dunn is one of the nation's leading general contractors with more than \$6 billion in annual revenues, 26 offices (headquartered in Kansas City), more than 4,000 employees and a 100-year history. The Company has the opportunity to work with all kinds of construction projects; big and small; new construction and renovation and works with its clients to meet their needs and work with their budget.

The State provides tax incentives to those who choose new construction to meet their needs. However, this policy unduly penalizes those who either cannot afford new construction or those who prefer to invest in their existing facilities or renovate existing structures. A ten percent reduction in the cost for construction exempted under HB 2585 (state and local sales taxes) would be a tremendous economic development incentive to businesses of all sizes and scope. The return to state and local governments from capital investment, jobs, goods, and services would be a tremendous boost for the State's economy. Furthermore, this change in tax policy would incent companies with a multi-state footprint to allocate more investment in Kansas when evaluating where to expand their operations.

The State is fortunate to have the financial ability to pass this legislation and help ensure the state's stable economy continues to perform.

On behalf of J.E. Dunn Construction, we appreciate your consideration of our position on HB 2585.