



January 31, 2023

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our nearly 1,500 members, thank you for the opportunity to offer written testimony in support of H.B. 2110; AN ACT concerning income taxation; relating to apportionment of business income; sales factor for certain taxpayers; election; amending K.S.A. 79-3271 and 79-3279 and repealing the existing sections.

HB 2110 would grant certain industries defined by NAICS code the ability to claim a single sales factor apportionment method when determining corporate income tax liability. Currently, apportionment is determined using the three-factor approach of calculating a company's property, payroll, and sales in the state. Twenty-nine states have moved to the single sales factor approach to encourage capital investment in the state.

The Chamber supports this policy recommendation as well believe it encourages companies to locate and invest in Kansas. We urge the Committee to report H.B. 2110 favorable for passage.

Very truly yours,

Jason P. Watkins