



Date: February 7, 2024
To: Chairman Adam Smith, House Committee on Taxation
From: Shahira Stafford, Kansas Cooperative Council
RE: Proponent Written Testimony on HB 2585

Chairman Smith and Members of the Committee,

Thank you for allowing the Kansas Cooperative Council (Co-op Council) to comment in support of House Bill 2585.

Formed in 1944, the Co-op Council is a voluntary trade association representing all forms of cooperatively structured business in Kansas. Our purpose is to further the understanding of cooperative principals, methods of doing business, and the impact co-ops have on our state's rural economy. Kansas co-ops have over 575 locations, employ over 5,000 people, and represent over 116,000 members.

House Bill 2585 would offer a sales tax exemption for installing or applying tangible personal property for the reconstruction, restoration, remodeling, renovation, repair or replacement of a building or facility. Current law allows for this exemption for residential property, and we appreciate the Legislature wanting to equalize that tax treatment with commercial facilities.

Our agricultural cooperatives are regularly repairing, remodeling, and maintaining various structures for safety and efficiency. Exempting these services from sales tax will help them continue to invest in their operations to better serve Kansas farmers.

Thank you so much for the opportunity to comment on House Bill 2585, and we respectfully ask for your support of this legislation.