



Kansas Agribusiness Retailers Association
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January 26, 2023

To: Senate Committee on Assessment and Taxation
From: Randy Stookey, Senior Vice President of Government Affairs and General Counsel
Re: **Proponent Testimony on Senate Bill 41, providing a remittance credit to retailers for the collection of sales and compensating use tax.**

Chair Tyson and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 41. This testimony is submitted on behalf of Kansas Agribusiness Retailers Association (KARA). KARA is an agribusiness industry trade association whose membership includes over 700 companies across Kansas.

Located across our state, our member agribusiness facilities work with Kansas farmers by providing agricultural inputs and services that assist with the growing of agricultural commodities. Our industry contributes to the Kansas economy and provides gainful employment for thousands of Kansans.

The ability of agribusinesses to operate a competitive business is often determined by the amount of their overhead costs, such as taxes, administrative costs, and fees. These administrative costs include collecting, remitting, and accounting for state sales and compensating use taxes collected for their sales on behalf of the state. These are real costs for which Kansas retailers are not currently compensated.

The proposed legislation would provide a credit for Kansas retailers, up to \$300 per month, to help offset, to some degree, the administrative expenses accrued by retailers in collecting and remitting state sales and compensating use taxes for the state.

This bill represents sound public policy and is consistent with the practices implemented in many other states.

For the reasons stated, we stand in support of this measure and would respectfully request that the committee pass the bill out favorably.