

To: Senate Assessment and Taxation Committee
From: Spencer Duncan, Government Affairs Director
Date: January 26, 2023
RE: SB 41 – Remittance Credit to Retailers
Neutral – Written Testimony – Proposed Amendment

The League of Kansas Municipalities has no official position on the policy decision of SB 41 and understands the importance this legislation could have to businesses in our communities.

However, The League is concerned that SB 41 does not clarify if the entirety of the reduction is to be from state retail sales and compensation use tax collections or if the reduction is to be prorated between state and local collections.

We believe the intent of the legislation is to only include the state portion, but as that is not clearly defined we ask for an amendment to provide this clarity.

We offer the following suggestion: *“Such credit shall not reduce the remittance of local sales and compensating use taxes made by the retailer.”*

The state has the right to make determinations on what it will do with its portion of sales tax, but any exemptions or remittances considered by the Legislature should leave whole local sales tax collections to be determined at the local level.

Thank you for your time and consideration of these issues. I am always available to provide additional information and answer any questions you have.



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