

HOUSE TAXATION COMMITTEE

Proponent Testimony of Charter Communications Operating, LLC In Favor of HB 2013—Parity in Video Service Taxation

January 29, 2025

Presented by: Dayton Murty, Senior Manager of State Government Affairs

Honorable Chairman Smith, Vice Chair Turner, and Ranking Member Sawyer:

It is my honor to appear before you on behalf of Charter Communications. We do business in Kansas under the brand name "Spectrum," and serve 118,000 Kansas customers in 25 communities. We employ over 850 Kansans and invested over \$37 million in private capital last year to connect an additional 3,000 Kansans to the rest of the world through internet, television, and voice services.

Charter supports the creation of a fair and level playing field for all participants in the market. HB 2013 does that by eliminating a tax on cable television providers that our competitors do not pay. The proliferation of streaming services has offered customers choice in their video service providers, but our tax code has not kept up with those changes in the market.

While streaming services operate without paying sales taxes on the service they provide to Kansas customers, customers of existing cable providers are required to pay sales tax. This lack of tax parity creates a competitive disadvantage for cable companies. Adding salt to the wound is the fact that cable providers are the providers that spend the most in infrastructure investments, hiring employees, and capital improvements right here in Kansas.

HB 2013 creates parity, levels the playing field, updates our statutes for current conditions, and stops the pernicious practice of penalizing companies that invest in Kansas for the benefit of Kansans. We urge you to recommend the bill favorable for passage to the House and help reinforce Kansas' reputation as a fair place to do business.

Thank you, Mr. Chairman and members of the Committee, for your consideration of our request and HB 2013.

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