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To: Members of the Kansas House Committee on Taxation

From: Americans for Tax Reform Re: Support House Bill 2013

Dear Chairman Smith and members of the House Committee on Taxation,

On behalf of Americans for Tax Reform (ATR) and our supporters across Kansas, I want to thank you for your steadfast leadership in reducing and flattening your income tax. Kansas is among the many states looking at making substantial rate cuts in 2025—a major victory for Kansans seeking greater economic opportunity and the ability to keep more of their hard-earned money.

I write today to urge you to support House Bill 2013 which would reduce the tax burden on thousands of hard-working Kansas families and provide important modernizations to the state's tax code that ensures video providers can compete on a level playing field by offering consumers a state tax neutral option for their service.

In recent years, the marketplace for video services has shifted dramatically. The barriers that once separated services are breaking down, and consumers now have access to an unprecedented variety of online and digital video platforms, including offerings from cable TV providers, Netflix, Peacock, Hulu, Amazon Prime Video, and many others. The evolution and expansion of both wired and wireless networks across the nation has led to a dramatic transformation in the industry. As a result of this rapid shift, some streaming video providers, such as YouTubeTV, now have subscriber counts far beyond those of traditional cable and satellite providers.

Yet, despite the positive changes and expansion of choice in the video services market, the state's tax structure has not evolved along with this progress. Currently, consumers who subscribe to cable TV services pay a 6.5% state sales tax on these services. However, the state sales tax does not apply to streaming service providers, and consumers pay zero sales tax when choosing these services. Even though cable and streaming video services are equivalent products, the uneven tax structure continues to skew the marketplace and affect consumer choice.

This inequity can be fixed with a simple reduction of the tax burden on thousands of hard-working Kansas families.

ATR supports ensuring video providers can compete on a level playing field and urges you to support House Bill 2013.

Sincerely,

Grover Norquist President Americans for Tax Reform