



Chair Smith and Members of the Committee,

We appreciate this opportunity to submit **written opponent testimony for HB 2013**, which eliminates sales tax on cable and television services and reallocates a portion of the sales tax to the state highway fund. We hold the following position on HB 2013:

1. HB 2013 promotes the wasteful tendency of the government to pick winners and losers.
2. HB 2013 diverts state tax revenue that could have been used to lower tax rates for all & erodes the tax base.

HB 2013 promotes the wasteful tendency of the government to pick winners and losers.

If lawmakers pass a law, it should apply fairly to everyone unless there is a compelling reason for exceptions. HB 2013 fails that test. It gives special tax breaks to a narrow group of Kansas taxpayers in the business of cable and television services—leaving everyone else to foot the bill.

This hyper-targeted deduction is a bad tax policy. Tax breaks should be broad-based, benefiting the broader economy, not handpicked industries. HB 2013 prioritizes a small, specific sector at the expense of fairness and fiscal responsibility. HB 2013 is not a good tax policy.

HB 2013 diverts state tax revenue that could have been used to lower tax rates for all & erodes the tax base.

The sales tax base represents all transactions subject to taxation. HB 2013 shrinks this base by exempting cable, antennae, and television services. This creates a ripple effect: tax rates may need to rise for everyone else to maintain the same revenue.

If the goal is to reduce state tax revenue, there is a more thoughtful approach. Lowering the overall state sales tax rate by the same fiscal impact as HB 2013 would avoid narrowing the tax base, prevent government favoritism, and deliver tax relief to all Kansans—not just a select few.

For these reasons, we urge the committee to reject HB 2013 in its current form.