

311 E 9th Ave Winfield, KS 67156

## Cowley County Economic Development

Phone: (620) 221,9951 cowleycountyks.gov

Jessica Falk, Coordinator

February 24, 2025

House Committee on Tax Kansas House of Representatives Kansas State Capital 300 SW 10<sup>th</sup> Ave. Topeka, KS 66612

RE: Testimony in Support of House Bill No. 2276 - Kansas Small Business and Tax Credit

Dear Chairman Adam Smith and Members of the Committee,

I'm writing to express my strong support for House Bill No. 2276, which would create a tax credit for small businesses that advertise through local news outlets. As someone who works closely with startups and growing businesses, I've seen firsthand the challenges they face in getting off the ground and sustaining growth. One of the biggest hurdles is the rising cost of doing business, especially with higher interest rates making it even harder to secure funding for startup costs and expansion.

Because of these financial constraints, many small businesses either cut marketing from their budgets entirely or set aside only a small amount. Instead, they often rely on free social media to promote themselves. While social media can be useful, many business owners don't have the time or expertise to use it in a way that actually drives growth. This limited approach makes it harder to reach a broad audience, especially beyond their immediate networks. Without effective marketing, businesses struggle to build brand recognition and attract new customers—both critical for long-term success.

The reality is stark: 20% of small businesses don't make it past their first year, and nearly half close within five years, according to the U.S. Bureau of Labor Statistics. One major factor is the inability to generate enough revenue, which is directly fied to how well they can market themselves. House Bill No. 2276 would help by offering a non-refundable tax credit covering 50% of a small business' advertising costs with local media outlets, up to \$5,000. This kind of support would give small businesses the ability to expand their reach, strengthen their financial standing, and ultimately contribute to a stronger Kansas economy.



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Beyond benefiting small businesses, this initiative would also provide essential support to local news organizations, which play a critical role in keeping Kansas communities informed and engaged. At a time when many local media outlets are facing financial hardships, this bill offers a dual benefit—helping small businesses grow while reinforcing the importance of local journalism.

Organizations like the National Restaurant Association have already expressed support for similar advertising incentives at the federal level. By passing this legislation, Kansas would be taking an important step toward ensuring that small businesses have access to the resources they need to overcome financial barriers and thrive in an increasingly competitive market.

I urge you to support House Bill No. 2276 and help provide Kansas small businesses with the means to succeed. If you have any questions, please don't hesitate to contact me. I appreciate your dedication to making Kansas a thriving place for both businesses and communities to grow.

Kind Regards.

Alma Falk
Jessica Falk

Cowley County Economic Development Partnership

Cowley County Courthouse

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