

Testimony of Sean Miller, Enterprise Mobility
HOUSE TAXATION COMMITTEE
In Opposition to HB 2154
February 12, 2025

Thank you Chairman Smith and Members of the House Taxation Committee for allowing me the opportunity to present testimony in opposition to HB 2154.

My name is Sean Miller and I Enterprise Mobility here in Kansas. Enterprise Mobility owns the Enterprise, National and Alamo car rental brands. Enterprise was founded in the Midwest, and we're still headquartered here. We invest here, we hire here and we pay taxes here – as well as collect and remit other taxes here. We are committed to this state. We currently employ more than 400 Kansans, have 42 business locations and utilize a fleet of approximately 6,000 cars in Kansas alone.

To put today's bill in perspective, the Kansas Legislature enacted KSA 79-5117 in 1991, a 3.5 percent additional excise tax on all rental car rentals in lieu of property taxes. This law was the outgrowth of an earlier [Legislative Post Audit Report](#) (LPA Report 84-41) that determined that the traditional method of collecting property taxes often didn't work with rental car companies, due to the transient nature of the vehicles rented in this state. The legislature crafted this excise tax in lieu of property taxes as an efficient and equitable way to collect taxes on each rental transaction that occurs in our state regardless of where the car is registered and have those taxes returned to Kansas counties. We believe that it has continued to serve that purpose.

In addition to this excise tax, Enterprise collects and remits state and local sales tax on each transaction. The proponents to this bill now collect sales tax as well but only because the legislature enacted the Marketplace Facilitator Act. Prior to this recent enactment the proponents of this bill did not collect or remit tax from their transactions in any consistent way.

While we don't support this bill, the company does believe that transparency is an important issue and we favor full disclosure of all taxes, fees and charges to the consumer in advance in any rental transaction.

The industry has recently seen an increase in add-ons for garage fees, delivery fees, license recovery fees and so on. Regardless of the nature of the rental transaction – either through a more traditional rental car company or a platform-type rental, there should be full disclosure – and in advance. Colorado and other states have recently enacted measures regarding the disclosure of additional mandatory charges.

Thank you for allowing me to submit testimony in opposition to this bill. We would respectfully request that this committee reject HB 2154.