



March 24, 2025

The Honorable Caryn Tyson, Chairperson
Senate Committee on Assessment and Taxation
300 SW 10th Avenue, Room 548-S
Topeka, Kansas 66612

Dear Senator Tyson:

SUBJECT: Fiscal Note for SB 267 by Senate Committee on Assessment and Taxation

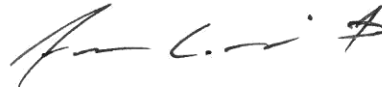
In accordance with KSA 75-3715a, the following fiscal note concerning SB 267 is respectfully submitted to your committee.

SB 267 would change the definition of “alcoholic beverages” as used in the Kansas Retailers’ Sales Tax Act to include beverages that are suitable for human consumption and contain 0.5 percent or more of alcohol by volume. Under current law, the requirement is that the alcoholic beverage contains 0.05 percent or more of alcohol by volume. The bill would amend the sales tax exemption for certain communication services to include purchases made on behalf of a provider. The bill would also amend the sales tax exemption for the Kansas Fairgrounds Foundation to include direct purchases made by the Foundation for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing, or remodeling a building located on the Kansas State Fairgrounds. Under current law, the sales tax exemption for the Kansas Fairgrounds Foundation is only extended to a contractor that provides these purposes on behalf of the Foundation.

The Department of Revenue indicates SB 267 would have no fiscal effect on state or local sales tax revenues. The Department indicates the changes in this bill are considered technical in nature with no fiscal effect. According to the Department of Revenue, reissuing sales tax publications and revising forms would cost \$2,010 from the State General Fund in FY 2026.

The Kansas Department of Transportation, State Fair, Kansas Association of Counties, and League of Kansas Municipalities indicate that the bill would have no fiscal effect.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties
Brendan Yorkey, Department of Transportation
Ryan Patton, Kansas State Fair