

February 5, 2026

The Honorable Mike Thompson, Chairperson  
Senate Select Committee on Veterans Affairs  
300 SW 10th Avenue, Room 136-E  
Topeka, Kansas 66612

Dear Senator Thompson:

**SUBJECT: Fiscal Note for SB 434 by Senate Committee on Federal and State Affairs**

In accordance with KSA 75-3715a, the following fiscal note concerning SB 434 is respectfully submitted to your committee.

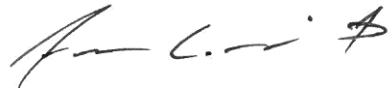
Under current law, Kansas residents who are certified by the U.S. Department of Veterans Affairs that have a 100.0 percent permanent disability rating sustained through military service or have been deemed totally disabled or unemployable are provided a sales tax exemption ID card for sales of tangible personal property or services with some exceptions and limitations. SB 434 would tie the determination of 100.0 percent permanent and total service-connected disability or a total disability rating based on unemployability to federal law and regulations for this sales tax exemption.

The Department of Revenue estimates that SB 434 would have no fiscal effect on state and local sales tax revenues. The Department indicates the bill would have no fiscal effect on its operations. The bill would be primarily technical in nature and would not affect the number of Kansans eligible for this program.

The League of Kansas Municipalities indicates that the change in language that determines who qualifies for this sales tax exemption has the potential to have additional individuals to qualify for this sales tax exemption. If that is the case, then the bill would provide a net reduction to local

sales tax collections that are used in part to finance local governments. However, the League is unable to determine the exact fiscal effect on local sales tax revenues.

Sincerely,



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  
Kim Mason, Office of Veterans Services