

March 3, 2020

**TO:** The Honorable Steven Johnson  
Chair, House Committee on Taxation  
SW 8th & SW Van Buren, 185-N  
Topeka, KS 66612

**FROM:** Elizabeth Moe Garcia, Director of State Government Affairs- Midwest Region  
CompTIA  
3500 Lacey Road #100  
Downers Grove, IL 60515

**RE:** Written Testimony in Opposition of HB 2685

Chair Johnson, Vice Chair Mason, and the Distinguished Members of the House Committee on Taxation:

CompTIA, or the Computing Technology Industry Association, is the leading association for the global information technology (IT) industry. We work on behalf of our 120-plus member companies to promote investment and innovation, market access, robust cybersecurity solutions, commonsense privacy policies, streamlined procurement, and a skilled IT workforce. It is on their behalf that we respectfully share our opposition to HB 2685.

Commerce does not end at any one state line or national border. Taxes should provide consistent treatment across geographic boundaries. Businesses must be able to meet the needs of the global marketplace and sell their goods and services across state lines without placing excessive compliance burdens or costly new taxes upon them.

This measure presents numerous compliance challenges for our member companies.

- The effective date does not give businesses time to review, prepare, and update billing systems.
- This broad tax expansion is not tantamount to good policy and will result in multiple and discriminatory taxation, in particular on the business community.
- While CompTIA opposes taxes on digital products, legislation should provide consistent treatment across state lines when digital products are taxed by state or local jurisdictions.
- Should Kansas move forward with this legislation, it should include a provision such as the Multiple Points of Use (MPU) sales tax exemption to account for businesses purchasing digital goods that may be used concurrently in the state and outside the state, allowing for a more efficient administration of the tax and reduced burden on our member companies.
- Finally, a new tax on business will ultimately translate to a new tax on consumers.

Thank you for the opportunity to share input regarding HB 2685. Legislation placing new taxes and compliance burdens is counterproductive to our goals of encouraging business growth and development. Please feel free to contact me on this issue, or any other matter impacting the technology sector in Kansas, as we hope to serve as a resource to state lawmakers.

Respectfully,

Elizabeth Moe Garcia