

To: Chairman Smith and House Taxation Committee  
From: Jason Rabe, City Manager, City of Beloit  
Subject: Testimony Against SB 248

Thank you, Chairman and Committee, for allowing me to submit testimony against Senate Bill 248 which would negatively impact our city and hundreds of cities across the state.

Senate Bill 248, as currently written, would eliminate local sales tax levies on groceries, food, and food ingredients. Voters in Mitchell County and the City of Beloit have voted to levy local sales taxes for general fund purposes, for capital improvement purposes, and to fund a new swimming pool in Beloit. It is estimated that the City of Beloit annually receives between \$275,000 to \$300,000 every year in sales tax dollars from the sales of groceries alone. Groceries and food make up approximately 15% of all sales tax dollars for our city.

These sales tax dollars are extremely important to the general fund of our city, our capital improvement fund which funds street and infrastructure improvements, and our city swimming pool. Without the local sales tax levies, which again, have been voted on by our local citizens, the City of Beloit would have to come up with an additional \$300,000 each year to fund essential services and infrastructure improvements. This is not sustainable for our city without an increase in property taxes, which negatively impacts all of our property owners.

This bill undermines the voters of our community who voted to levy these local sales taxes and approved of the purposes for these sales tax dollars. While the city supports eliminating state sales tax on food, if that is what the legislature feels is an important initiative, that should not come at the cost of hundreds of local governments across the

state which rely on sales tax dollars. A simple amendment to SB 248 excluding local sales taxes from this bill would be fair and equitable to all.

Importantly, this legislation also impedes on the home rule concept which all Kansans hold in high regard. Perhaps it is seen as the will of the people to eliminate local sales tax on food, however, that should be decided on a local level just as it was approved on the local level.

On behalf of the City of Beloit, I ask that the Committee amend or reject Senate Bill 248 as currently written. Thank you for your consideration.

Very Truly Yours,

Jason Rabe  
Beloit City Manager

Cc: Rep. Susan Concannon  
Rep. Troy Waymaster  
Katie Schroeder, Beloit City Attorney