



To: Chairman Adam Smith and Members of the House Committee on Taxation
From: Courtney Kounkel, Founder and Owner, Monarch Build
Date: February 7, 2024

Mr. Chairman and members of the committee, I am Courtney Kounkel, the founder and owner of Monarch Build a commercial general contracting firm located in Overland Park. I appreciate the opportunity to appear before you today in support of HB 2585.

Throughout my 26-year career in the construction industry, I have encountered property owners and tenants that were unprepared for the additional cost to renovate in Kansas, resulting in a reduction in the scope of work they could afford. I believe this legislation will increase the renovation quality and investment in aging commercial real estate which will increase property values, therefore increasing property taxes.

Over the last several years businesses have increased their desire to relocate to top-tier, Class-A office space to attract and retain employees. Although ample office inventory exists, much of that space must be updated to satisfy demand. In our market, businesses are often evaluating buildings in both Kansas and Missouri. When the business realizes they will be paying an additional 6-7% in Kansas for the exact same construction quality, it often tips the scale in a Missouri locations favor.

Removing remodel tax will improve consistent compliance of sales tax and reduce the state's auditing workload, while also leveling the playing field for businesses evaluating locations in both Kansas and Missouri.

Thank you for your time and I'd encourage you to support HB 2585.