STATE OF KANSAS

VIRGIL PECK. JR. STATE SENATOR, DISTRICT 15

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SENATE CHAMBER

Thank you Chairwoman Tyson and Committee Members for the opportunity to appear before you today in support of SB 58.

SB 58 is a simple, straight-forward, bipartisan bill that provides an opportunity for the Kansas Legislature to say a big thank you to some of our brave men and women who have stood up for American freedoms. Passage of SB 58 would provide a sales tax exemption for military veterans in Kansans who are 100% disabled, due to their military service, when they make purchases in Kansas – except for vehicles.

Not only would SB 58 say thank you to the 5,838 disabled veterans, it would also incentivize veterans living close to our state lines to do all their shopping in Kansas, rather than in other states. Frankly, I find it embarrassing, as a Kansas legislator, that we (Kansas) don't do very much for our disabled veterans. Our neighbors to the south (Oklahoma), provide a total tax exemption for disabled military veterans in their state — these veterans pay no taxes. If Oklahoma can do it, Kansas can do it better!

I strongly disagree with the fiscal note. It reads in part: "These estimates assume that each eligible veteran would use the maximum \$50,000 exemption each year." Sadly, many disabled veterans in Kansas don't earn close to \$50,000 – the maximum allowable purchases in SB 58. Last session, when we looked at SB 180 (a similar bill), KDOR said that most homes spend \$60,000 per year. Of that amount, \$25,000 are for sales taxable purposes. Those dollar amounts may have risen some, but not by double. Therefore, I believe the fiscal note should be about half of what the Division of Budget published.

I ask for your support of SB 58. I'll stand for questions at the appointed time.

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PO BOX DEWEY, OK 74029 EXM-128. Exemption Number MUNICONAL DAY COMMISSION 100% Disabled Veteran Sales Tax Exemption 4 DAVIS August 24, 2012 Effective Date She Levanties unless/until

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