

STATE OF KANSAS

VIRGIL PECK, JR.
STATE SENATOR, DISTRICT 15

P.O. BOX 299
HAVANA, KANSAS 67347



STATE CAPITOL
300 SW 10TH AVE.
TOPEKA, KANSAS 66612
(785) 296-7742
virgil.peck@senate.ks.gov

SENATE CHAMBER

Proponent Testimony for SB 29

Thank you Chairwoman Tyson and Committee Members for the opportunity to appear before you today in support of SB 29.

SB 29 is not a new idea – it's been presented many times before. As a matter of fact, I've personally been involved in the introduction of a back-to-school sales tax holiday several times over the past 18 years. (see page 2 of testimony)

While in the House, on four different occasions, I got legislation passed – either as a bill or an amendment to a bill – but it always stalled in the Senate.

Simply stated, SB 29 is a money-saver for Kansas families. When parents, grandparents, teachers and others make purchases in preparation for children to return to school, SB 29 provides a temporary (4 days) sales tax exemption for items needed/required for attending classes.

In SB 29, those items are: "clothing, clothing accessories or equipment, school supplies, school instructional materials, school art supplies, prewritten computer software, personal computers, and school computer supplies".

By my count, 17 states provide their citizens a sales tax holiday on back-to-school supplies. Two of those states, Missouri and Oklahoma border Kansas. The Missouri sales tax holiday was implemented in 2004 while Oklahoma started in 2007.

I ask you not to look at SB 29 in light of what Kansas would lose from its passage, but rather what Kansas would gain. Many Kansans will drive across state lines and spend a lot of money on items for their children to return to school. These out-of-state purchases save parents, teachers and others money, but they cost Kansas retailers, local municipalities and state government a lot of lost opportunities for sales and revenue. Common sense tells us that when Kansans drive across a state line to save/spend money on particular purchases, they also make purchases of non-exempt items – like fuel and eating at restaurants. SB 29 levels the field for our business owners and keeps money that currently goes out of state, in Kansas.

The fiscal note on 2022 SB 432 said "Data from other states indicate there is an increase in purchases during a sales tax holiday that ranges from 'slight' to a five-fold increase in purchases ... it is assumed that sales during the four-day period would be at least triple the normal purchases, with corresponding decreases in sales volume before and after the sales tax holiday period."

I ask the Committee to recommend SB 29 favorably for passage.

I'm happy to stand for questions at the appropriate time

Legislation I've introduced personally (with co-sponsors) or as a committee bill.

January 2006 = **HB 2601** – FN \$3.2 million
(also in 2006 a bill by Senator Brownlee, SB 552)

February 2007 = **HB 2501** – FN ?

February 2009 = **HB 2328** – FN \$5 million

February 2011 = **HB 2287** – FN 5.9 million

February 2014 = **HB 2607** – FN \$4.5 million

January 2015 = **HB 2076** – FN \$5.1 million

February 2022 = **SB 432** – FN \$7.1 million