



To: House Committee on Taxation

From: Heather Kuder

Date: 1-19-2017

Subject: House Bill 2023

Thank you for the opportunity to share my opposition to House Bill 2023. My husband and I own Osage County Chiropractic and Physical Therapy located in Carbondale, KS. We started the business in the fall of 1999 with an addition of a fitness center in 2000. Physical Therapy services were added in 2008 and in May of 2016 we added an associate Chiropractor. We currently have 2 full time employees, 3 part time employees and 3 PRN employees.

The tax cuts of 2012 have been helpful to our business in that we were able to complete many needed updates, repairs and remodeling to our existing building which was constructed in 1994. As with any structure there is always needed maintenance. Many of the individuals who were hired to perform the work or who we purchased equipment, products and supplies from were from the surrounding communities of Osage County. We currently have an ongoing list of needed updates that we again hope to complete as we continue to re-invest in our business. Some of the repairs include a new server to support additional computer stations, a complete updated remodel for a bathroom, private office and treatment room, security system/cameras, updated waiting room furnishings, sheetrock/electrical repairs, and new gravel for the entire parking lot just to name a few.

Additionally, the tax cuts have been helpful in that we were able to increase hours and wages for our part time office staff. Also, most recently we have been able to hire an associate Chiropractor to hopefully continue to grow and expand our business.

This business is the livelihood for our family. As a business owner there are always challenges related to the current economic situation both positive and negative. Due to the nature of our business in the medical field we are having additional challenges with the unstable and unknown world of healthcare. With increased regulations, decreasing insurance reimbursements and increasing deductibles/co-pays we are feeling the effects financially. If the 2012 tax cuts were to be eliminated, it would add another layer of financial difficulty for us, lessen the opportunity to continue to reinvest in our business, employees and ultimately our community. Please partner with us and the other businesses of Kansas as job creators and oppose House Bill 2023. Thank you.

Reinvestment in our business from reports for years 2012 through 2016

Re-investment in our Employees

- \$4 an hour raise for Office Manager Position and increased hours from 30 to 38/week
- \$2 an hour raise for Office Assistant Position
- Added an additional Chiropractor in June 2016
- Payroll for our employees from 2007 through 2011 averaged \$23,00/year. (excluding owners)
- Payroll for our employees from 2012 through 2016 averaged 59,000/year. (excluding owners.)

Re-investment in our Business

- Spent on average \$8800 more a year from 2012 through 2016 compared to 2007 through 2011 for the line items listed below.
- Selected Line items from reports- Advertising and Promotion, Building and Grounds Maintenance, Equipment Maintenance, Computer and Internet , Office Equipment, Office Furnishings, Uniforms

Osage County- LD mower service-Overbrook (Maintenance of mowing equipment)

S&S Heating and Cooling- Carbondale (Service and replacement of air conditioner)

Osage Building Materials- Lyndon/Osage City- (Purchased supplies for remodel project)

Phils Cabinet Shop- Scranton (New countertops and cabinets in front office_

GT Quality Finishing- Overbrook- (Painting)

J and R excavating-Carbondale (Repair of plumbing leaks)

Dan's Dirt-Osage City (Hauls gravel for our parking lot)

Kyle Neilson- Burlingame (Roof repair)

Gloss Mowing- Overbrook (Mowing and spraying)

Black Excavating (Repair of plumbing and water leak)

4 Different individuals for cleaning services- Carbondale, Overbrook and Gardner area

Overbrook Computer Solutions- Overbrook (Computer equipment and repair)

Piper Mowing- Scranton (Mowing and snow removal)
RJ Auction house- Scranton (Purchase of office equipment)
Postmaster(Carbondale Post Office)- (Advertising Mailers)
Craigs Welding and Tree Service-Overbrook (Tree trimming)
United Graphics- Scranton (Embroidered shirts)
Shirts and Such- Overbrook (Embroidered shirts)
Leanders- Lawrence (Chiropractic table, repair service)

Shawnee County

Lowes, TSC, Oreilly, Orschelan, Sears, Menards (Supplies for projects and repairs)
Sams (Office Supplies)
Signs to Go- Billboard
NCS- Offsite Back up service
Mercury Wireless- Internet
Topeka Small Engine Repair (Treadmill motor repair)
Hobby Lobby and Bed Bath and Beyond (Office Decorations)

Out of State

Intuit, Stellar Software and EZ Notes (Website, Management system and Documentation)