



January 19, 2017

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our 1,600 members, thank you for this opportunity to provide written testimony in opposition to H.B. 2023.

The public and political discourse related to the 2012 tax cuts as well as the current budget situation are not lost on our membership. However, we stand opposed to increasing taxes on Kansas business owners and job creators.

Kansas economic sectors face many challenges. The oil and gas sector along with the state's agricultural economy remain troubled. Additionally, aviation manufacturing and the many hundreds of associated supply chain companies have yet to recover to pre-recession levels. Raising taxes at this critical time poses a real threat to those trying to meet a payroll and keep their businesses alive, let alone grow them.

In addition, there appears to be some confusion as to how to measure the success and benefit of the 2012 tax package. We respectfully submit that a small business owner who invests in his or her company, but does not directly hire additional employees is still creating jobs in the economy by virtue of increased spending within the Kansas economy. The purchasing of equipment, real estate and other business related expenses does have a positive impact on the Kansas economy and does create jobs within the state.

Finally, while H.B. 2023 does not contain language making the proposed tax increase retroactive, there has none the less been discussion and suggestions to that effect. We would be remiss if we did not take this opportunity to address just how unfair and crippling such an act would be. A retro-active tax increase would present major problems for Kansas business owners, many of which have already invested this money and not budgeted for tax year 2017 earnings elsewhere.

Thank you again for the opportunity to address this matter with you. We would urge the Committee not to raise taxes on Kansas job creators and we request that you not report H.B. 2023 favorable for passage.

Regards,

Jason P. Watkins