

## **Testimony to House Taxation Committee In support of HB 2237**

February 7, 2017

Chuck Schmidt

34 years as Public School Educator

14 years as Superintendent of Schools

Candidate for State Senate District 15 in 2016

Dear Chairman Johnson and members of the House Taxation Committee:

I am speaking today in support of HB2237. This bill would restore fairness to the state income tax system and increase revenues for state services.

Ever since the income tax cuts of 2012 and their ensuing adjustments went into effect, the state has suffered revenue shortages that have affected critical state services. Since that time the legislature has had to use accounting tricks and one time solutions to come up with enough revenue to balance the budget.

It is time to admit that the income tax cuts of 2012 have not worked. It is time to restore balance to our taxation system. Since 2012 we have lost that balance and as a result our property taxes and sales taxes have risen dramatically and it still hasn't provided the necessary revenue.

The plan developed by "Rise Up Kansas" provides a responsible solution to this perpetual budget shortage. This plan has been vetted by Duane Goossen who has significant experience with state budgets and knows the impact of these changes. This plan is based on real numbers, not wishful thinking.

I ran for State Senate in District #15 this past year with the theme of repealing the tax cuts of 2012. Although I was not successful in winning, I knocked on 10,000 doors and the people of this district were ready to change the current taxation system. Businesses are ready to pay their fair share of income tax because, unlike property tax, the income tax is based on how much money they make. My opponent was current Senator Dan Goddard and he ran on the same platform regarding the tax cuts.

I urge the legislature to pass HB 2237 or a similar bill that restores balance to our revenue stream. This needs to be done quickly in order to get the revenue flowing by the next fiscal year. I realize what a difficult situation you are in to find enough revenue to balance the budget for the current fiscal year. Don't put yourself in the same situation for next year.

If you pass this bill you will restore revenues for fiscal 2018 and end the perpetual budget shortage. After that I urge you to study the entire tax structure and make the necessary adjustments.

Let's get a taxation system based on reality, not wishful thinking.

Chuck Schmidt  
1001 N. 2<sup>nd</sup> St.  
Independence, KS 67301  
620/330-4576  
Cschmidt3131@gmail.com