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Testimony on HB 2237
House Taxation Committee
Bernie Koch, Kansas Economic Progress Council
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Mr. Chairman and members of the committee, thank you for the opportunity to submit testimony on House Bill 2237.

The Kansas Economic Progress Council is a not for profit membership organization of businesses and individuals interested in advancing sound public policy in Kansas to enhance our state’s quality of life.

The Kansas Economic Progress Council believes HB 2237 moves the State of Kansas in the right direction to correct the damage done by the 2012 income tax cuts.

Although we may not agree with every element in detail, the bill contains most of the elements that we support and believe are necessary to restoring the health of the Kansas budget and the Kansas economy.

As I have testified previously to the House Taxation Committee, KEPC supports revisiting the income tax cuts in the form of rate adjustments.

We support elimination of the business income tax exemption.

We support ending the March to Zero, the trigger mechanism that automatically reduces income taxes beginning in 2019 when revenues exceed 2.5 percent growth.

We believe something must be done to restore the T-WORKS program that has been decimated by transfers from the highway fund to the general fund. We have not taken a position on whether that should include a motor fuels tax increase or how much such an element might be. We might take a position on motor fuels in the future. We have not taken a position on reducing the sales tax on food.

Overall, we commend the Rise Up Kansas Coalition for their work on this bill. We realize this is a process and believe this bill is an important step in moving that process forward by putting forward several elements that are necessary in some form to solve our state’s fiscal problems.

Thank you for your consideration of our position on House Bill 2237.