



**House Committee on Taxation
Verbal Testimony in Opposition to HB 2493
Presented by Eric Stafford, Vice President of Government Affairs**

Wednesday, January 23, 2018

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber appreciates the opportunity to testify in opposition to House Bill 2493 which would grant the director of taxation with subpoena authority to “gain access” to a company’s records related to the collection of sales tax.

K.S.A. 79-3611(a) under existing law provides the department with the ability to “hold investigations and hearings concerning any matters covered by this act, and may examine any books, papers, records, or memoranda bearing upon such sales of any such person...”. Our members believe this language is sufficient for the department of revenue’s ability to audit a business. If it’s not, our members believe the proper procedure would be to go to district court to obtain and enforce a subpoena to protect the balance of proper enforcement of the tax laws while having supervision through a neutral judge to prevent administrative overreach.

The final point we would like to make is simply asking why? What is preventing the department of revenue from being able to perform audits? If a taxpayer is unwilling to supply necessary information and documents, can’t the department go to district court to request a subpoena today? HB 2493, as one member expressed, goes above and beyond the low threshold of obtaining a subpoena for tax records, which is a procedural protection for businesses who should be assumed to be innocent.

We thank you for the opportunity to offer testimony in opposition to House Bill 2493, and I am happy to answer questions at the appropriate time.

The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.