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February 7, 2017

Senator Caryn Tyson Chair, Senate Committee on Assessment and Taxation Room 123-E, Statehouse Topeka, KS 66612

Re: SB 111

Dear Chairwoman Tyson and Senate Committee on Assessment and Taxation members,

We understand that there is a hearing on SB 111 to be held tomorrow in the Assessment and Taxation Committee. This bill would require out-of-state vendors to notify customers of their purchase total and that sales tax was not paid and may be due to Kansas.

The City of Lawrence holds as one of its key legislative issues the issue of sales tax fairness. We believe that there should be fairness between the sales tax charged by our vendors on Massachusetts Street versus what is purchased by Kansas consumers from out-of-state vendors online. While SB 111 isn't a complete solution to this issue, we believe that it moves closer to leveling the playing field for local retailers who are a competitive price disadvantage by up to nearly 10% depending upon the retailer's location in the city.

Many of our Kansas vendors are already required to send reports to customers in other states that have this law already so we know that the technology exists to generate this information. Drawing attention to the fact that sales tax may be due can be helpful to our consumers to reinforce the existing law in Kansas. The City of Lawrence supports SB 111 and encourages the support of the Senate Committee on Assessment and Taxation.

Sincerely

C:

Thomas M. Markus

City Manager

Lawrence Mayor and City Commission

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