



Chairman Johnson and Members of the Committee,

On behalf of the Kansas Policy Institute, we appreciate this opportunity to submit testimony in support of HB 2542. HB 2542 increases the subtraction modification of social security income (SSI) to those with federal adjusted gross income below \$100,000. We hold the following positions on HB 2542.

1. HB 2542 allows more married filers to subtract their SSI from state taxation
2. HB 2542 provides tax relief to Kansas seniors and retirees

HB 2542 allows more married filers to subtract their SSI from state taxation

By increasing the SSI subtraction modification to those making less than \$100,000, more retirees can see state tax relief. Also, considering the exemption makes no distinction by filing status, HB 2542 can provide aid to taxpayers in filing married joint returns.

HB 2542 provides tax relief to Kansas seniors and retirees

Kansas is one of 13 states that taxes social security income.¹ Kansas's current subtraction modification puts the state at a disadvantage when it comes to tax competitiveness. Also, Kiplinger named Kansas as the 3rd least tax-friendly state for retirees in 2019.² HB 2542 helps Kansans and retirees keep more of their income, and is a step in the right direction for making Kansas a more comfortable place to live.

For these reasons, we urge the committee to pass HB 2542 in its current form.

¹ Kiplinger Business Magazine, *13 States That Tax Social Security Benefits*, <https://www.kiplinger.com/slideshow/retirement/T051-S001-states-that-tax-social-security-benefits/index.html>

² Kiplinger Business Magazine, *10 Least Tax-Friendly States for Retirees 2019*, <https://www.kiplinger.com/slideshow/retirement/T037-S001-10-least-tax-friendly-states-for-retirees-2019/index.html>