



Office of the President

**Neutral Testimony Regarding
House Bill No. 2484 and 2487
Before the House Committee on Taxation
January 25, 2022**

Chairperson Smith, and Members of the House Committee on Taxation,

Thank you for the opportunity to offer neutral testimony regarding House Bills 2484 and 2487 and request amendment to K.S.A. 13-13a39.

Washburn University is established by constitutional and statutory provisions. The Washburn University Board of Regents is comprised of nine members appointed by the Governor, Mayor, County Commission, and the Kansas Board of Regents. The Washburn Regents are singularly responsible for the operation of the University. As part of the higher education family, the Kansas Board of Regents (KBOR) has a coordination responsibility for our academic programs.

Kansas Statutes 13-13a38 and 13-13a39, adopted by the legislature in 1999, authorize the Board of Regents of Washburn University to levy a countywide retailers' sales tax not to exceed .65% within Shawnee County. In exchange for this sales tax authority, Washburn's ability to levy a property tax as a funding source for overall university operations was eliminated. Washburn University receives a smaller percentage of state aid than other higher education public institutions. Revenue from sales tax and tuition are vital to our ability to offer academic programs and to balance our budget.

Our proposed amendment (attached) is identical to the language already in House Bill No. 2484 on page 1, line 26 and House Bill No. 2487 on page 1, line 24, which provides cities and counties the ability to tax "all sales of food and food ingredients" by amending K.S.A. 12-189a. Washburn currently has a similar statute to K.S.A. 12-189a. We request our statute, K.S.A. 13-13a39, be amended to match the same taxing authority in application and exemption as cities and counties.

If our proposed amendment is not adopted, Washburn University will experience an annual sales tax revenue loss in the range of \$3,000,000 to \$4,000,000 with no available mechanism to make up this reduction other than tuition increases or increases to our state aid. The attached amendment would allow the University to ensure sales tax revenue is available to support operations alongside tuition revenue and state aid.

Thank you.

*Washburn University proposed amendment to
2022 House Bill No. 2484 and House Bill No. 2487*

13-13a39. Same; additional sales subject to tax. The following sales shall be subject to the taxes levied by Washburn University of Topeka under the provisions of K.S.A. 13-13a38, and amendments thereto:

(a) All sales of natural gas, electricity, heat and water delivered through mains, lines or pipes to residential premises for noncommercial use by the occupant of such premises and all sales of natural gas, electricity, heat and water delivered through mains, lines or pipes for agricultural use;

(b) all sales of propane gas, LP-gas, coal, wood and other fuel sources for the production of heat or lighting for noncommercial use of an occupant of residential premises; ~~and~~

(c) all sales of intrastate telephone and telegraph services for noncommercial use; *and*

(d) all sales of food and food ingredients.