

P O Box 591
Beloit, Kansas 67420

Tel No (785) 534-1290
Fax No (785) 534-1291



Katie J. Schroeder
CITY ATTORNEY

To: Chairman Smith and House Taxation Committee
From: Katie Schroeder, City Attorney, City of Beloit
Subject: Testimony Against SB 248

Thank you, Chairman and Committee, for allowing me to submit testimony against Senate Bill 248 which would negatively impact our city and hundreds of cities across the state.

Senate Bill 248, as currently written, would eliminate local sales tax levies on groceries, food, and food ingredients. Voters in Mitchell County and the City of Beloit have voted to levy local sales taxes for general fund purposes, for capital improvement purposes, and to fund a new swimming pool in Beloit. It is estimated that the City of Beloit annually receives between \$275,000 to \$300,000 every year in sales tax dollars from the sales of groceries alone. Groceries and food make up approximately 15% of all sales tax dollars for our city.

These sales tax dollars are extremely important to the general fund of our city, our capital improvement fund which funds street and infrastructure improvements, and our city swimming pool. Without the local sales tax levies, the City of Beloit would have to come up with an additional \$300,000 in revenue each year to fund essential services and infrastructure improvements. This is not sustainable for our city without an increase in property taxes, which negatively impacts all of our property owners.

This bill undermines the voters of our community who voted to levy these local sales taxes and approved of the purposes for these sales tax dollars. The citizens of Kansas deserve to have local governments, not the state, to make decisions for their communities. Citizens across the state have approved local sales tax levies to help fund their local governments. An elimination of a portion of these sales tax revenues will inevitably lead

to increased property taxes for thousands of families and small businesses across the state.

While the city supports eliminating state sales tax on food, if that is what the legislature feels is an important initiative, that should not come at the cost of hundreds of local governments across the state which rely on sales tax dollars. A simple amendment to SB 248 excluding local sales taxes from this bill would be fair and equitable to all.

On behalf of the City of Beloit, I ask that Committee amend or reject Senate Bill 248 as currently written. Thank you for your consideration.

Very Truly Yours,



Katie J. Schroeder
Beloit City Attorney

Cc: Rep. Susan Concannon
Rep. Troy Waymaster
Mr. Jason Rabe, Beloit City Manager
Mr. Tom Naasz, Beloit Mayor