

**House Committee on Taxation**  
**Testimony in Support of House Bill 2411**  
**Presented by Eric Stafford, Vice President of Government Affairs**  
**Tuesday, March 7, 2023**

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 submit testimony in support of House Bill 2411, which modifies penalties for employers who fail to remit withholding taxes in a timely manner.

Existing law places a 15% penalty on businesses in Kansas who fail to remit the proper amount of withholding taxes, which is a rather dramatic, and static penalty. HB 2411 creates a modified penalty structure based on how late the payment was made. As proposed, the penalty structure is set as:

- (A) 2% of the amount of the underpayment if remitted within one to five days;
- (B) 5% of the amount of the underpayment if remitted within six to 15 days;
- (C) 10% of the amount of the underpayment if remitted after 15 days; and
- (D) 15% of the amount of the underpayment if remitted after 15 days and the department has issued a notice to the person regarding the underpayment but the amount of the underpayment was not remitted within 10 days of issuance of the notice.

We believe this is a more fair approach to the employers who are responsible for remitting income taxes to the state and would encourage your support of the bill. We appreciate the opportunity to submit testimony in support of House Bill 2411, and I am happy to answer any questions at the appropriate time.