



Testimony

**Senate Bill 252
Senate Assessment and Tax Committee
February 20, 2023**

The Kansas County Commissioners Association opposes Senate Bill 252 because it will give many businesses unreasonable and unwarranted tax breaks while deteriorating the local and state tax base and increase taxes on homeowners and businesses which don't qualify.

Let's take a short review of how SB 252 came to be. The wealthy Stevens family of Wichita owns the Genesis Health Clubs. They didn't think it was fair they had to pay property taxes when the YMCA did not. So they gave lots of campaign donations and got friendly legislators to introduce a bill.

The bill has transformed into an anti-government bill and would punish governments for providing needed services for their residents. Over the past few sessions the concept of the bill... tax breaks for business... grew and grew so now almost every business in the state could make a case for the tax break. It's hard to know, but it's been estimated that 20% of the taxes now paid by businesses could be exempt.

The bill is written very broadly. Here are some examples of what could happen under this bill: a guy who owns a couple of lawn tractors and mows grass could claim he is forced to compete against the local government public works or parks department which also mows grass. If the guy bases his business out of his home... he could get all of the property taxes on his house erased. The lawn mowers and all the fuel and other supplies would be exempt from paying sales tax.

This scenario can be applied to dozens of other situations.... Noxious weeds and chemicals.... Road grading... pothole patching... Municipal swimming pools and spray parks... snacks sold at ball games in government owned gyms or stadiums... ambulance services... government provided trash service... community tax supported soup kitchens... and many other services.

I will contend that people who don't even own businesses now, will figure out how to start one which duplicates services already provided by government so they can claim unfair competition and get an undeserved tax break.

