



## **Written Testimony in Support of House Bill 2103**

**House Taxation Committee  
Wednesday, February 13, 2013**

Chairman Carlson and House Taxation Committee Members:

My name is Jennifer Bruning, and I am Vice President of Government Affairs with the Overland Park Chamber of Commerce. I am submitting written testimony today in support of House Bill 2103 on behalf of our Board of Directors and our nearly 1,000 member companies.

HB 2103, also known as the E-Fairness Bill, would fix a pre-Internet Kansas statute loophole which allows online-only companies to have a large price advantage over retailers with a bricks-and-mortar presence in our state by failing to collect local sales tax from consumers buying their products on-line.

HB 2103 would authorize Kansas to require an out-of-state seller with distribution facilities or other related entities in the state to begin collecting sales taxes on the sale of goods to in-state purchasers. This issue is one of compliance and tax enforcement and should not be considered a new tax even though this bill's passage would bring in much needed new revenues to our state. Currently Kansans are supposed to voluntarily remit this tax (stemming from the days of catalog shopping); however, many citizens are not aware of the requirement and fail to comply. This results in a substantial amount of uncollected tax dollars which should be flowing into our state coffers.

The development and expansion of Internet shopping, which now amounts to more than 10 percent of all retail sales in the country, has necessitated our member's support to change the system. By requiring enforcement of sales tax collection by online retailers, this bill will help level the playing field for those retailers who have invested in Kansas with a physical presence in our state.

We respectfully urge you to support House Bill 2103. Thank you for your consideration.