

## **Testimony to Senate Assessment and Taxation Committee In support of Income Tax Proposal SB 188**

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34 years as Educator

14 years as Superintendent of Schools

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Dear Chairman Tyson and members of the Senate Assessment & Taxation Committee:

I am speaking today in support of an Income Tax Proposal presented by the Democratic Party. This bill would restore fairness to the state income tax system and increase revenues for essential state services.

Ever since the income tax cuts of 2012 and their ensuing adjustments went into effect, the state has suffered revenue shortages that have affected critical state services.

It is time to admit that the income tax cuts of 2012 have not worked. It is time to restore balance to our taxation system. Since 2012 we have lost that balance and as a result our property taxes and sales taxes have risen dramatically and it still hasn't provided the necessary revenue.

This plan provides a responsible solution to this perpetual budget shortage. You have the fiscal note and I don't need to repeat it. Unlike the previous Tax Cut Plan of 2012, this plan is based on real numbers, not ideological thinking.

I ran for State Senate in District #15 this past year with the theme of repealing the tax cuts of 2012. Although I was not successful in winning, I knocked on 10,000 doors and the people of this district were ready to change the current taxation system. Businesses are ready to pay their fair share of income tax if it will revive our economy. My successful opponent, Senator Dan Goddard, who is on this committee, ran on the same platform regarding the tax cuts.

I urge this committee to pass this bill to restore balance to our revenue stream. I realize what a difficult situation you are in to find enough revenue to balance the budget for the current fiscal year. Don't put yourself in the same situation for next year and succeeding years. This bill can help avoid that.

If we learned anything in this past election, both in Kansas and nationally, it is that people are tired of our elected officials talking about problems but getting nothing done. It is clear to almost everyone in Kansas that the tax cuts did not work and we need more revenue.

My testimony will not address the particulars of this bill. However, what I will address in a very concise fashion are some of your possible objections.

**1. *This bill was presented by the Democratic Caucus. The Republican Majority cannot pass this.***

Change it a bit and put whatever name you want on it.

**2. *We will be vilified for raising taxes?***

Yes, but if you don't fix the long term structural revenue shortage, you will be faced with this issue every year and you will be vilified for the resulting cuts. Get it over with now and move on to other issues.

**3. *Why don't we make cuts first and then raise revenue?***

Because it will be even harder to raise revenue after you make the cuts. If you raise the revenue for future years, schools and other agencies will be less resistant to cuts for this year.

**4. *The elephant in the room is the School Court Case.***

We all know it will cost money, and if you don't fix revenues now, you will have to do it later anyway.

**5. *The Governor will veto it.***

He might, but if you find that the public supports you, there may be enough votes to override his veto. If not, then it is on him. You can always go back and make changes. Don't give up your bargaining position by saying we can't pass it because the Governor will veto it. Voters are sick and tired of

that talk. I pledge my support to work to bring schools together to accept a reasonable cut if you solve the revenue shortage for future years.

**6. *But this will hurt farmers and businesses who are struggling right now.***

This is an income tax increase. If they don't make any income they don't have to pay any income tax. What is killing those farmers and businesses besides a weak economy is ever rising property and sales taxes as a result of the income tax cuts of 2012.

If you pass this bill you will restore revenues in the near future and end the perpetual budget shortage. After that I urge you to study the entire tax structure and make necessary adjustments.

Let's get a taxation system based on reality, not ideological thinking.

Thank you for your time and attention. Now let's get it done.

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