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Submitted by: Natalie Fullerton, Program Manager for the Kansas Rural Center
Testimony for Senate Concurrent Resolution No. 1604

Members of the Senate Tax Committee:

Thank you for the opportunity to share our support for the Senate Concurrent Resolution number 1604. Since 1979, the Kansas Rural Center (KRC) has worked as a statewide organization to promote the long-term health of the land and its people through education, research, and advocacy for farmers, ranchers, communities, and others engaged in strengthening our states farm, food and health systems.

KRC has spent the past three and a half years traveling the state and getting input from hundreds of Kansans who are concerned about healthy food access in their communities. It is loud and clear that Kansas' state tax on groceries puts an unfair burden on low income families, hurts rural grocers and their employees, and drives shoppers across state lines to buy food. This bill would improve our states ability to ensure access to food, especially healthful food, to all Kansans.

I write today asking you to support **Senate Concurrent Resolution No. 1604** - A constitutional amendment to gradually reduce sales tax on food to 2% over the course of several years. Below outlines why reducing sales tax on food is important.

- Rural Kansas is struggling to keep grocery store doors open. Sales tax on food costs grocers thousands of dollars each year as customers purchase less or travel to other states and counties with lower sales tax rates. This also places a significant burden on customers who may have to travel 20 miles or more to the nearest food retail outlet.
- Surrounding states have very low or no sales tax on food. Nebraska and Colorado have no sales tax on food. Missouri and Oklahoma have sales tax rates of 1.225% and 4.5% respectively where Kansas is currently 6.5%.
- High sales tax rates on food impact farmers and other food entrepreneurs' ability to successfully start up and sustain food businesses, especially in underserved areas of urban and rural Kansas.
- Purchasing groceries for a low-income household uses up a higher percentage of their incomes to sale tax compared to higher income households. These lower income households may be substituting cheaper, less healthful foods potentially resulting in higher rates of obesity and poor health.

This comes at a time when several communities are working together around the state through food and farm councils and task forces to address food and farm system issues and opportunities to strengthen economies and the health of their citizens. It is clear that there are several negative consequences including high rates of poor health and loss of economic opportunity. Food is not a luxury and should not be taxed as such. Reducing sales tax rates on food will have significant positive outcomes for Kansas consumers and food businesses.

Thank you for your time and consideration.

A handwritten signature in black ink that reads "Natalie Fullerton".

Natalie Fullerton