

February 7, 2023

Steering Committee Greater KC Food Policy Coalition Proponents of HB 2111 House Committee on Taxation

Chairman Smith and members of the committee.

The Greater KC Food Policy Coalition convenes diverse stakeholders to advocate for an equitable, sustainable, and resilient food system in the greater Kansas City region. On behalf of our 21 steering committee members, I am voicing our support for HB 2111 to immediately eliminate the state food sales tax.

## State sales tax takes food off the table.

In 2020, 9.7% of residents and 14.6% of kids under 18 were food insecure in Kansas.<sup>1</sup> The rate is higher for Black and Hispanic Kansans. When the budget is tight, consumers make tough choices. Fully eliminating the state food sales tax would put hundreds of dollars back into Kansans pockets every year to buy more food at the grocery store and farmers market.

## Taxing groceries is bad for business.<sup>2</sup>

The state food sales tax has a negative impact on rural grocers' profit and their employees' compensation. It also drives consumers across state lines to save money on groceries. Forty of Kansas' counties share a border with neighboring states, which exempt food purchases or tax food at a lower rate.

## The state can cover the bill.

We supported legislation that was passed in 2021 to gradually eliminate the state food sales tax by 2025. Why wait? The state has the revenue to cover the bill without harming the budget.

We encourage you to support the full, immediate elimination of the state food sales tax. Every Kansan gets a bite of this tax cut.

Sincerely,

Rachael McGinnis Millsap, MSW

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Interim Director

Greater KC Food Policy Coalition

<sup>&</sup>lt;sup>1</sup> Feeding America. Map the Meal Gap. 2020.

<sup>&</sup>lt;sup>2</sup> Wichita State University. Kansas Public Finance Center. 2016.