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OFFICE OF JUSTICE, PEACE, AND INTEGRITY OF CREATION

Date: February 7, 2023

To: House Committee on Taxation From: Rebecca Metz, Coordinator RE: Support for House Bill 2111



Dear Chairman Smith and members of the Committee,

The Sisters of Charity follow in the traditions of St. Vincent de Paul and St. Louise de Marillac, who began the daughters of charity with a particular emphasis on serving those living in poverty. It is in the same tradition that we support House Bill 2111, which will provide tax relief for all Kansans who purchase grocery products in the state of Kansas – but will particularly alleviate tax burdens for low and middle-income individuals and families. Although inflation rates continue to decline, year over year inflation remains at 6.5% and food related inflation in December measured 10.4%. ¹² We believe now is the time to offer additional help to struggling families and individuals to provide for their basic needs.

Low-income individuals spend a larger share of their income to meet basic needs

Because low-income persons need to provide for the same needs as all earners, taxes such as the sales tax on groceries are particularly hard on low-income persons. The sales tax on food takes a greater share of their total income, leaving them with less disposable income overall compared to other income brackets. Additionally, according to the Bureau of Labor Statistics, the lowest 20% of earners spend approximately 10% of their income on food at home, whereas the highest 20% of earners only spend about 5.7%.³

Many Kansans can't afford to wait

Our Sisters and Associates work in a variety of ministries that provide meals to food insecure persons in our communities across Kansas. Our experience is that many hardworking Kansans continue to struggle to meet their basic needs at present. Waiting until 2025 for the grocery tax rate to hit 0% is not enough tax relief at the checkout line to meet their immediate needs. These various ministries would also be able to stretch their dollars further and feed more hungry people in Kansans. Many of these ministries are not incorporated into official 501(c)(3) organizations, but are everyday people working to address an immediate need they see in their community, and are thus subject to sale tax.

We ask that you please support everyday Kansans trying to meet their immediate food needs, as well as helping increase the impact of various ministries working on food insecurity by passing House Bill 2111.

https://www.cnbc.com/2023/01/11/cpi-inflation-is-expected-to-have-declined-in-december.html

https://tradingeconomics.com/united-states/food-inflation; US Bureau of Labor Statistics

³ https://www.cbpp.org/low-income-families-spend-much-more-of-their-income-on-food-at-home