



**House Committee on Taxation
Verbal Testimony in Opposition to House Bill 2661- Corporate Income Tax Increase
Presented by Eric Stafford, Vice President of Government Affairs**

Monday, March 12, 2018

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber appreciates the opportunity to testify in opposition to House Bill 2661, which proposes to place a top rate of 10% on corporate income in excess of \$1,000,000.

HB 2661 would move Kansas to second for the highest corporate income tax rate in the nation if HB 2661 were to pass. A year after a \$600 million tax increase on individual income tax filers, this bill proposes to raise an additional \$120 million on the back of businesses. We would ask how much is enough? Kansas continues to rank in the top 10 in the nation for the number of taxpayers leaving our state. We'd be better off paying the moving expenses of outgoing residents with the revenue generated from this bill than we would be expecting HB 2661 to have a positive impact on our state budget.

Again, we would like to highlight the recent changes in Washington, D.C., as they passed a tax reform bill that finally improved the competitive climate for corporations in our country. We would argue Kansas should consider lowering its corporate income tax rate in an effort to increase investment and become more competitive.

We are honestly dumbfounded as to why supporters of this bill think this is a good idea. We strongly urge this committee to oppose House Bill 2661 and we will be happy to answer questions at the appropriate time.