



Testimony in **OPPOSITION** of House Bill 2738

Presented by Mayor, Jim Benage

City of Bel Aire, Kansas

March 17, 2022



Chairman and Members of the Committee,

I am writing to you on behalf of the City of Bel Aire requesting your opposition to any legislation that would make changes to the formula for countywide sales tax revenue sharing and specifically HB 2738. Our Governing Body adopted a legislative platform in January of this year with changes to local sales taxes being a top concern.

Since 1978, the formula for countywide sales tax revenue sharing has been employed across the state. Currently, 93 counties levy a countywide sales tax. In 1985, The Sedgwick County Commission instated a 1% local sales tax to be collected within all of Sedgwick County. Those dollars are then shared between the county and all municipalities within Sedgwick County based on the current formula. For Bel Aire, we receive roughly \$1.6 million annually. This represents 23% of our budget revenues. Eliminating this revenue stream would cause and increase in local property taxes by 22 mills.

As you are aware, sales taxes are collected from shoppers who often reside outside the county. However, these guests utilize our roads, police protection, parks and many other amenities cities offer. The local sales tax allows for people who use our services to help pay for them when they are in town shopping.

Please ensure this bill does not make it out of committee. Local sales taxes are a valued and equitable revenue stream that cities utilize to meet the needs of residents who reside in the county as well as visitors from outside the county.

Respectfully,

Jim Benage

Mayor