

“Axing Your Taxes” Event in Pittsburg
Governor Laura Kelly Remarks As Prepared for Delivery
Monday, February 6, 2023

Good afternoon. Thank you, Ann, for that introduction, and thanks to the entire team here at The Family Resource Center for hosting this event.

For over 25 years, the Family Resource Center has done great work for our children, providing a safe and welcoming environment for students to learn and grow. I’m grateful to have your support as we fight to deliver major tax relief for Kansans.

I’m here in Pittsburg today to share how my tax cut plan will benefit Kansas families like the ones the Family Resource Center serves. Let’s start with some good news.

Our state is in a great position financially. When I took office in 2019, I was determined to work with both parties to balance our budget while cutting taxes. I’ve done that—and created a record budget surplus to boot.

Thanks to smart budgeting, we are now in a position to provide even greater relief to Kansans. But we must do it responsibly.

The legislative session started a few weeks ago, and already some have proposed using this surplus for tax plans that would threaten all that we’ve achieved for working families.

We’ve experienced irresponsible tax experiments before, and we saw where it led: Underfunded schools. An overwhelmed foster care system. Kansas failing to provide the services our families need.

During my first term, we got our house back in order. We were able to fully fund schools four years in a row. I just proposed a budget that would fully fund schools for a fifth year... and put Kansas on track to fully fund special education – benefiting students like the ones in the Family Resource Center’s special needs programs.

We've proven that – if we prioritize fiscal sanity -- we can manage the budget **and** cut taxes for our families without putting our children's education on the chopping block.

That's why I've put forward a three-part plan to cut taxes and benefit families in a fiscally responsible way. We're calling it the "Axing Your Taxes" plan.

Let's focus on how the first two parts of the proposal impact families.

Part one of my proposal delivers on my campaign promise to completely axe the food sales tax—and to do so as soon as possible.

This past May, I signed a law to eliminate the food tax gradually over the course of the next few years. I was proud of that bill and of the bipartisan support we were able to garner for it. But it didn't go far enough or fast enough. Kansans still need more relief.

The cost of groceries is too high, plain and simple.

Historically, the grocery tax in Kansas has been one of the highest in the country. And with inflation and rising supply costs, I know all Kansans – but especially parents – are feeling the pain at the grocery store.

With this bill, we will axe the food tax completely and immediately.

And not just that – we are also expanding this relief to include other essential items like diapers and feminine hygiene products.

A tax cut on those items wasn't in the bill we passed in May, but it needs to be in this upcoming bill. They're basic necessities, and we should do everything we can to help Kansans afford them.

Just look at the numbers.

According to the National Diaper Bank network, the average baby goes through 8 to 12 diapers per day, which sets families back around \$900 per year.

And according to the National Organization for Women Foundation, the average woman spends about \$18,000 on feminine hygiene products over her lifetime.

It's shocking.

These costs obviously disproportionately impact women. Axing the tax on both diapers and feminine hygiene products will help ease that burden and benefit Kansas women for years to come.

The second bill in the "Axing Your Taxes" plan will do the same. We're proposing a sales tax holiday on school supplies so that every August, beginning this year, Kansas families can purchase school supplies tax-free over a four-day period.

This will make preparing for back to school more affordable. Shopping for school supplies can be tough. The supply list is long, the expenses add up. Kids always seem to outgrow their school clothes before you've cut the tags off.

This bill will alleviate some of the stress facing parents and educators every August.

And, since we're here, let me touch on the third bill, which concerns taxes paid on social security.

Right now, Kansas retirees making less than \$75,000 per year do not pay state income tax on their social security income. But once they earn a dollar more – whether that's through investments or a life insurance policy – the entirety of their social security income is subject to state tax.

It's bad policy to have such a cliff, and it's not good for our retirees.

This bill raises the threshold to \$100,000 and eliminates the cliff. It will save our seniors more than \$50 million over the next three years.

During my Inaugural Address, I said that the North Star for my second term is to make Kansas the best place in America to raise a family.

Part of that is delivering major, commonsense tax reform so that our families

have more money in their pockets. If we enact my “Axing Your Taxes” plan, Kansans will see \$500 million in savings over the next three years alone.

We’re so close to getting this done.

All the bills in my “Axing Your Taxes” plan have been introduced in both the Kansas House and Senate.

I am calling on legislators of both parties to support these bills and to provide practical financial relief to families and retirees across our great state. I urge Kansans to let their state legislators know that they support the bills, too.

With that, I want to thank The Family Resource Center again for their advocacy efforts and for having me here today. I look forward to working with The Center and its partners to make Kansas a better place for all families and all children.