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Kansas Action for Children  
Written neutral testimony for House Bill 2141  
House Taxation Committee

Chairman Smith and Members of the Committee:

Thank you for the opportunity to provide neutral testimony for increasing the Kansas standard deduction. Kansas Action for Children's vision is to make Kansas the best state to raise -- and be -- a child. KAC shapes state and federal policies that improve health, education, and financial outcomes for young children and the adults who care for them, especially those experiencing poverty.

Before federal tax changes at the end of 2017, Kansas' standard deduction was somewhat less compared to the federal standard deduction. However, it must be noted the Tax Cuts and Jobs Act of 2017 eliminated personal and dependency exemptions while significantly increasing the standard deduction. Many compare the amounts of Kansas' smaller standard deduction to the now much larger federal deduction, **but most fail to note that Kansas has retained the personal and dependency exemptions, which further reduce taxable income on Kansas returns.** Kansas allows a \$2,250 exemption per qualified individual on the Kansas return. For example, a married couple with two children would receive \$9,000 of exemptions on their return, further reducing income before taxable income is computed.

Kansas Action for Children believes the standard deduction measure would be simpler for taxpayers, tax preparers, and the Kansas Department of Revenue than other proposed legislation that would make changes regarding itemization (SB 22). In addition, it would result in a more equitable policy than SB 22, by benefitting more low- and middle-income Kansans.

However, increasing the standard deduction is not cheap, and estimates vary. Given our current economic challenges, it is important to consider the legislation's fiscal impact. KAC believes the policy priority should be addressing the state's lengthy list of needs as Kansas recovers from the economic and health ramifications of COVID-19. Thank you for the opportunity to voice our concern about this bill, and please do not hesitate to contact me at [emily@kac.org](mailto:emily@kac.org) if you have any questions.