

Countywide Sales Tax

by Commissioner Karl Peterjohn and Chairman Jim Howell

The Sedgwick County commission has had a sizable number of areas where the five commissioners have been split this year. The distribution formula for the 1 cent countywide sales tax is an area where the commission has been unified. The Sedgwick County commission opposes any changes to this 30 year old state-mandated tax distribution formula.

The Wichita City Council wants the formula changed to provide more local sales tax revenue for their city. Wichita's leaders want Sedgwick County to give Wichita \$17.8 million of the \$29.2 million county's share under current law.

Does the legislature need to change the distribution of the countywide sales tax in Sedgwick County?
We don't think so.

Since the voters approved a 1-percent countywide sales tax in 1985, there has been a state statute distributing revenue between the county and the 20 municipalities inside Sedgwick County. Currently, this local sales tax revenue generates just over \$102 million a year. Most of this county sales tax is being (and has been for roughly 30 years) spent by the 20 cities in Sedgwick County. \$77.2 million of this sales tax is spent by the municipalities, with Wichita currently receiving \$59.4 million. Wichita is now demanding a lot more.

Many citizens might say, "This is a battle between Wichita and Sedgwick County, what does it matter to me?" This issue is important in the fact that half the revenue from this tax is supposed to be used to hold down property taxes. Sedgwick County uses the other half for roads and bridges.

Sedgwick County is also providing many countywide services to ALL the citizens of this county which include EMS, 911, courts, DA, Health Department, county parks, COMCARE, juvenile and adult corrections, as well as vital record keeping with the Register of Deeds, County Clerk, Treasurer office, and more. These countywide services are funded with property taxes. Most of the users of all of these vital services are residents of the city of Wichita. Will Wichita assume any of these responsibilities with this money grab?

We doubt it. The Wichita city council seems to have forgotten that city voters have repeatedly rejected Wichita's efforts to create a municipal sales tax. An overwhelming percentage of Wichita voters rejected the 2014 city sales tax plan. The 2016 Kansas legislature should reject the city's proposals and retain the local sales tax distribution formula, even if the cities only receive 75 percent of the sales tax revenue.