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Labor, Revenue and Commerce leaders tout tax cuts, rural opportunity zones and efficiencies during Small Business Empowerment Tour

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TOPEKA – Kansas’ new tax law will help small business owners of all types keep more of their money to invest in growing their businesses but it is just one component of the state’s efforts to grow the state’s economy and private sector jobs.

Tuesday and Wednesday, leaders from the Labor, Commerce and Revenue departments explained implications of the new tax plan, labor laws and Rural Opportunity Zones to people during the seven-city Small Business Empowerment tour.

The tour, which was free and open to the public, stopped in Manhattan, Norton, Hays, Dodge City, Hutchinson, Wichita and Independence.

Starting January 2013, Kansas taxpayers at every income level will start keeping more of their paychecks as tax rates drop 14 to 24 percent and businesses that file using the K-40 personal income tax form will no longer pay taxes on non-wage business income.

“Whether it is a corner shop with two employees or a manufacturing company employing 100 people, small businesses are an integral part of the state economy,” said Revenue Secretary Nick Jordan. “When they succeed, Kansas wins. This plan simplifies their taxes and helps business owners retain more of their profits, which can then be reinvested in their livelihood or the community.”

The talks also focused on how the state’s Rural Opportunity Zones program could combine with the new tax plan to help rural communities grow. The program eliminates income taxes for up to five years for people who move to Kansas and into one of the designated counties. The program will also pay up to \$15,000 in student loan costs for those moving into participating counties. Norton, in north central Kansas, has used the program to attract professionals back to the town of 3,000.

“The administration has worked hard over the past 19 months to give Kansas a better environment from which to attract new businesses, entrepreneurs and investment,” said Kansas Commerce Secretary Pat George. “We have made a lot of changes and a lot of progress, and this tour gave us an opportunity to talk about the state’s new business climate.”

While the Commerce and Revenue departments have been working to create an environment that will grow and nurture small business, the Kansas Department of Labor has been working to create a department that is more responsive to business and to unemployed Kansans.

Kansas Labor Secretary Karin Brownlee emphasized that lowering taxes or cutting budgets did not equate to decreased services. When she joined the department in 2011, the Labor Department faced a backlog of unemployment appeals, a significant budget shortfall and a call center where calls frequently went unanswered.

Since then, she has reduced agency staff and expenses by about 35 percent, streamlined repetitive processes, eliminated most of the appeals backlog and dramatically improved service in the call center

“We all have to be looking at where we can do our jobs better and more efficiently. Our experience shows that better customer service does not require more money; we made it happen with much less,” Brownlee said.