

# **Bright and Carpenter Consulting, Inc.**



825 S. Kansas Avenue, Suite 502C Topeka, KS 66612, [www.brightcarpenter.com](http://www.brightcarpenter.com)

## **2023 Kansas Legislative Session Preview**

Lawmakers return to Topeka for the start of the 2023 Kansas Legislative Session on Monday, January 9, with roughly \$2 billion in the State General Fund. With tax revenues drastically exceeding estimates every month this fiscal year and last, expect to see some tension around how that money is spent.

Governor Kelly has proposed a three-prong tax cut plan. One piece that seems to have bipartisan support is increasing the tax exemption threshold on Social Security income for retirees from \$75,000 to \$100,000. Her plan also includes speeding up the reduction of the food sales tax to an immediate full elimination, as well as a weekend sales tax holiday in August on school supplies.

The last two proposals will most likely receive pushback from Republican leadership that may prefer to use the state's surplus to cut income taxes instead. One idea that is being discussed is lowering state corporate and income tax rates to a flat tax for all Kansans, rather than the tiered structure currently in place.

The Governor's State of the State address will be on Wednesday, January 11 at 6:30 p.m., where she'll outline her policy priorities for her administration's second term. Expanding Medicaid and legalizing medical marijuana top that list, but both are unlikely to pass the conservative legislature.

Lawmakers are also preparing for serious discussions around water conservation and special education funding, with divisive issues like abortion and transgender sports possibly returning.

With three midterm Senate retirements, over 30 newly elected Legislators, new House Republican and Democrat leadership and recent House and Senate committee reshuffling, it could be a slow start next week as new faces settle into new their roles.

As we start 2023, we look forward to continuing to represent our clients under the dome and will keep you informed as these issues and more unfold throughout the session. Happy New Year!