

# NEWS RELEASE

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## **Kansas Driving Jobs & Growth To Other States**

*Study promotes reforms aimed to stimulate economic growth in Kansas*

(WICHITA) – Kansas must modernize its tax policy and streamline its budget to attract jobs and stimulate economic growth, warns a study released today by the Flint Hills Center for Public Policy. In “Fostering Climate Change In Kansas: Steps Toward A Competitive Market-Based Economy,” Jonathan Williams, visiting Flint Hills policy fellow, explains how Kansas policies are causing individuals and businesses to take valuable jobs and economic opportunities to states with relatively low taxes, few regulations and small budgets.

Williams explains that it is essential for Kansas “to focus on creating an environment where capital formation is not penalized through the tax structure and the entrepreneurial spirit is allowed to flourish.” Kansas’ “unfriendly business climate is causing productive individuals and businesses to look toward other states for a better entrepreneurial environment.”

Multiple indexes documenting Kansas’ current abysmal business climate are referenced in the Williams paper. One ranks Kansas 32nd on the State Business Tax Climate Index, which measures the impact of five major elements of the tax system on the state’s business climate. Another ranks Kansas’ state/local tax burden percentage as the 15th highest in the nation; higher than 35 other states including California, Florida Delaware, Oklahoma, Missouri and Colorado.

Williams argues that the millions of dollars Kansas spends to support economic development and attract jobs to the state is counter-productive and a waste of resources. “Such government-run economic development initiatives, and the politically motivated decisions that accompany them, should be eliminated for the good of the taxpayer,” concludes Williams. Instead, Williams states, “Kansas should be more concerned about creating a pro-growth business environment than engaging in corporate welfare through economic development.”

The author calls on state policymakers to work toward a more economically competitive Kansas that will attract new capital and provide the incentive for enterprising individuals to locate within the borders of the Sunflower State. This entails lowering tax rates, reducing state spending and reforming ineffective and expensive government programs.

*Jonathan Williams is a staff economist at the Tax Foundation and a policy fellow with the Flint Hills Center for Public Policy.*

*The Flint Hills Center for Public Policy is an independent voice for sound public policy in Kansas. As a non-profit, nonpartisan think tank, the Center provides critical information about policy options to legislators and citizens. For more information, please visit our web site at [www.flinthills.org](http://www.flinthills.org) or contact us at [inquiries@flinthills.org](mailto:inquiries@flinthills.org) or (316) 634-0218.*



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