

SUMMARY OF ENTERPRISE ZONE INCENTIVES

Eligibility for the various incentives and the value of the incentive depend on 1) the type of business, 2) the location of the business within the state, and 3) the number of net new jobs created. The *Kansas Enterprise Zone Act* defines six counties of Douglas, Johnson, Leavenworth, Sedgwick, Shawnee, and Wyandotte as metropolitan counties. As such, they are ineligible to apply for the enhanced job credits available to designated non-metropolitan counties.

Jobs Criteria/Definitions

MANUFACTURING - A manufacturing business is defined as any commercial enterprise identified under North American Industry Classification System (NAICS) 311-339 or Standard Industrial Classification (SIC) 20-39 and must create a minimum of two (2) net new jobs.

NONMANUFACTURING - A non-manufacturing business is defined as any commercial enterprise other than a manufacturing or retail business that creates a minimum of five (5) net new jobs. This category also includes business headquarters and ancillary support of an enterprise if the facility creates at least 20 new full-time positions.

RETAIL - A retail business is defined as any business providing goods or services taxable under the Kansas retailers' sales tax act; any professional service provider set forth in K.S.A. 17-2707; any bank, S&L, or lending institution; any commercial enterprise whose primary business activity includes the sale of insurance; any commercial enterprise deriving its revenues directly from noncommercial customers in exchange for personal services. Retail businesses must create a minimum of two (2) net new jobs.

Basic EZ Incentives for Undesignated Non-Metro Counties & Metro Counties

MANUFACTURING

Sales Tax Exemption

Job Creation Tax Credit - \$1,500 per net new job

Investment Tax Credit - \$1,000 for each qualified business facility investment of \$100,000

NON-MANUFACTURING

Sales Tax Exemption

Job Creation Tax Credit - \$1,500 per net new job

Investment Tax Credit - \$1,000 for each qualified business facility investment of \$100,000

RETAIL

Sales Tax Exemption - available for retail businesses located in a city of less than 2,500 population, or in the unincorporated county area of a county less than 10,000 population.

Job Creation Tax Credit - \$100 for each net new job created is available for up to 10 years under K.S.A. 1993 Supp. 79-32,153 as amended

Investment Tax Credit - \$100 for each \$100,000 in qualified investment is available for up to 10 years under K.S.A. 1993 Supp. 79-32,153 as amended

Enhanced EZ Incentives for Designated Non-Metropolitan Counties

MANUFACTURING

Sales Tax Exemption

Job Creation Tax Credit - \$2,500 per net new job

Investment Tax Credit - \$1,000 for each qualified business facility investment of \$100,000

NON-MANUFACTURING

Sales Tax Exemption

Job Creation Tax Credit - \$2,500 per net new job

Investment Tax Credit - \$1,000 for each qualified business facility investment of \$100,000

RETAIL

Sales Tax Exemption - available for retail businesses located in a city of less than 2,500 population, or in the unincorporated county area of a county less than 10,000 population.

Job Creation Tax Credit - \$100 for each net new job created is available for up to 10 years under K.S.A. 1993 Supp. 79-32,153 as amended

Investment Tax Credit - \$100 for each \$100,000 in qualified investment is available for up to 10 years under K.S.A. 1993 Supp. 79-32,153 as amended

