

In an effort to encourage redevelopment in the established areas of the City, the Shawnee Governing Body has identified a portion of the city where certain types of new construction and improvements to office, commercial and industrial structures may be eligible for a ten year property tax rebate. This incentive is available for improvements made after January 14, 2013 and before January 13, 2023.

If improvements made to the property increase the appraised value by at least \$5,000, applicants may then qualify for a rebate of 90% of the eligible taxes paid on that increased value for ten years. The remaining 10% of the taxes will be placed in a special fund that the City will use to make improvements to the Neighborhood Revitalization Area (NRA) boundary area.

The City has partnered with Johnson County, Johnson County Community College, the Shawnee Mission School District, Johnson County Park and Recreation District and the Johnson County Library District to make this Neighborhood Revitalization program available.

The NRA Tax Rebate Program is:

- A property tax rebate program for retail, office and other commercial properties located within the designated area.
- A program to encourage new construction or significant reinvestment within the designated area.

How it Works:

- The NRA rebate applies only to the increased assessed value of a property, based on eligible improvements.
- After the project is complete and a Certificate of Occupancy is issued, the Johnson County Appraiser will reappraise the property and determine the increase in assessed value, known as the “increment”. The increment will remain the same throughout the life of the program, regardless of changes in the assessed value of the property.
- Rebate payments will begin once taxes have been paid for a full year on the increased value.
- Once the property owner pays their entire tax bill, a rebate check will be issued for 90% of the eligible property taxes paid on the increment value.
- Only the taxes attributed to the participating jurisdictions are eligible for the rebate.
- The rebate will run for 10 years.



Guidelines:

- Property to be considered must be within the designated NRA District (see map on back of brochure).
- Applications must be filed within 60 days of the issuance of a building permit for an eligible improvement.
- The value of the improvements must increase the appraised value of the property by at least \$5,000, as determined by the Johnson County Appraiser’s Office. (This determination is made upon completion of the project and reappraisal.)
- All improvements must conform to applicable City codes, the comprehensive plan, and any applicable design standards in effect at the time the building permit application is made.
- Construction of detached structures, decks, patios or general maintenance of a structure is not eligible.



EXAMPLES

NEW COMMERCIAL CONSTRUCTION:

Property Values

	Appraised	Assessed
--	-----------	----------

Base Year Value:	\$0	\$0
New Value:	\$750,000	\$187,500
Incremental Value:	\$750,000	\$187,500

Tax Calculation

Assessed Increment	\$187,500
Applicable Mill Levy	112.675
Improvement Taxes Paid	\$21,127
Taxes to be Rebated	\$19,014

EXISTING COMMERCIAL WITH ELIGIBLE IMPROVEMENTS:

Property Values

	Appraised	Assessed
--	-----------	----------

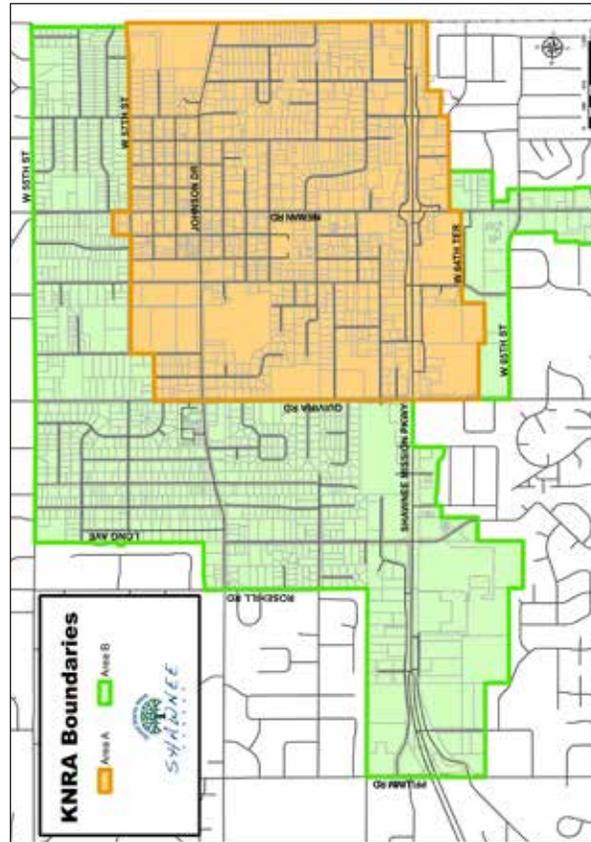
Base Year Value:	\$500,000	\$125,000
New Value:	\$750,000	\$187,500
Incremental Value:	\$250,000	\$62,500

Tax Calculation

Assessed Increment	\$62,500
Applicable Mill Levy	112.675
Improvement Taxes Paid	\$7,042
Taxes to be Rebated	\$6,338

* Johnson County retains 30% of applicable County taxes as an administration fee for an incremental increase of \$100,000 or greater.

For an application to participate in the program, please contact the contact the City's Business Liaison, Dave Holtwick, at (913) 742-6214, 11110 Johnson Drive, or visit our website at www.cityofshawnee.org/NRATaxRebate.



For further information, contact the
Planning Department
11110 Johnson Drive
Shawnee, Kansas 66203
Phone: 913-742-6227
Fax: 913-631-7351

www.cityofshawnee.org/NRATaxRebate

01/17/13

NEIGHBORHOOD REVITALIZATION TAX REBATE - COMMERCIAL

