



SMITH COUNTY
Neighborhood Revitalization Plan
(NRP)

The primary intent of the Neighborhood Revitalization Act is to provide communities with a long-term increase and stabilization in their property tax base by encouraging rehabilitation or new construction that might not otherwise occur.

For additional information contact: Smith County Appraiser
785-282-5100

Years of Eligibility

There is a six (6) year open application period. Smith County Taxing District schedule of rebates:

- Year 1 – 100%
- Year 2 – 90%
- Year 3 – 80%
- Year 4 – 70%
- Year 5 – 60%
- Year 6 – 50%
- Year 7 – 40%
- Year 8 – 30%
- Year 9 – 20%
- Year 10 – 10%

The rebates will be paid only from participating taxing districts which include Smith County, the cities of Lebanon, Kensington, Cedar, Smith Center, Center Township and Lane Township.

Rebates approved for payment will be made by June 5th.

*Entire area of Smith County, Kansas, with the exclusion of Gaylor and Athol. Rebates do not include the state levy.

Key Benefits of NRP

- It will offer incentives for development where development might not otherwise occur through property tax refunds.
- Will encourage commercial, industrial, agricultural and housing development in the county.
- Does not interfere with current property tax revenues.
- The program will create new, long-term tax revenue, without creating a fiscal burden for cities and counties.
- Will help stabilize land values.
- Will strengthen the fiscal capacity of our city and county government to grow and serve our area.
- Provides a limited window of opportunity for participation, thereby prompting immediate response.

What is the Tax Rebate Program?

Provides tax rebates for new construction and the rehabilitation of existing structures. In order to implement the legislation locally, each taxing district must adopt a plan and designate an area in which they want to promote revitalization and development or redevelopment – in which Smith County and the City of Smith Center has done.

What is a “tax rebate”?

It is a refund of the property taxes which are paid on the actual value added to a property due to the improvement. Under the NRP legislation, the taxes relating to the assessed value on the property prior to the improvement may not be reduced and will continue to be payable.

What is “qualified improvement”?

Qualified improvement includes new construction, rehabilitation and additions for commercial; new construction and additions for residential. The improvement must increase the appraised value by \$10,000 or more. You should secure a building permit for most improvements, where applicable. Call the City Office to get information on obtaining a building permit. New as well as existing improvements must conform to all codes, rules and regulations in effect.

Does one dollar spent on work equal one dollar of increased value?

One dollar spent is not necessarily equal to one dollar of increased value.

Who applies?

The property owner applies. Even if as a lessee you are doing the improvements and your lease agreement requires you pay the taxes, the property owner must apply. The tax rebate will be

included as part of the parcel's tax record for the term of the rebate regardless of who owns or occupies the property.

What kind of improvements will increase the assessed value?

New construction, additions and major rehabilitation will increase the assessed value while repairs generally will not. The proposed project must be on a permanent foundation and taxed as real estate. Residential interior remodels that do not include an addition are not eligible nor are non-real estate items such as sprinkling systems, fences, landscaping, gazebos, garden type structures, hot tubs, swimming pools, patios or irrigation wells.

If qualified improvements have been made, how do I obtain a tax rebate?

Each November 1st, the County Treasurer will mail the owner of the parcel approved for Revitalization an Application for Rebate Form along with the annual real estate tax statements. The taxpayer will complete the application for rebate (with assistance from the County Appraiser if needed) and submit it to the Treasurer.

Will the schedule of tax rebates ever change?

Yes. All tax rebates under this plan shall be based on the tax increase from the assessed valuation and shall be paid commencing the first calendar year following the year of completion and may change upward or downward depending on the change in applicable levies.

APPLICATION PROCEDURE

- Meet with and obtain an application from the County Appraiser's office.
- Prior to the commencement of construction on any improvement or new construction for which a tax rebate will be requested, the applicant-owner will complete parts 1 and 2 of the application.
- Requests must be received and approved before commencement of demolition or construction.
- Parts 1 and 2 of the application must be filed with the County Appraiser's Office with non-refundable \$50 application fee prior to the commencement of construction.
- The County Appraiser's Office will return a copy of parts 1 and 2 to the applicant within fifteen (15) working days, indicating conditional approval or denial of the project.
- If the application for rebate is not approved, the taxpayer may appeal the decision to the Smith County Board of Commissioners.

Copies of the application will also be forwarded to the SCED for monitoring purposes.

NOTE: No applicant having delinquent taxes due in Smith County will be eligible for this program. In the event any such taxes are not timely paid and become delinquent during the ten (10) year rebate period, all current and future tax rebates shall be forfeited in full.

