City of Bonner Springs, Kansas

Neighborhood Revitalization Property Tax Rebate Plans



You may be eligible to receive a Property Tax Rebate on the increase in property taxes on new or rehabilitated properties.

To obtain an application form or for more information, contact:

City of Bonner Springs, 205 E. Second, P. O. Box 38, Bonner Springs, KS 66012 Building & Codes Dept. 913-667-1710 Community and Economic Development 913-667-1703 www.bonnersprings.org

General Information

The City of Bonner Springs offers two Neighborhood Revitalization Property Tax Rebate Plans (NRP) within designated areas of the City for construction of new structures (Plans 1 and 2) and rehabilitation (Plan 1 only) of existing structures. The rebate plans cannot be used in conjunction with any other tax incentive unless approved by the City Council. The rebate percentage refers only to taxes levied by the Unified Government, U.S.D. 204, KCK Community College and City of Bonner Springs.

Initial Eligibility Criteria

- 1. You must be the legal owner of record of the property.
- 2. The property must be in one of the designated areas.
- The real estate taxes on the property must be current. If a taxpayer is 90 days delinquent in the
 payment of property taxes <u>twice</u> during the term the property is eligible for the rebate, any remaining eligibility will be terminated.
- 4. The improvement must comply with the NRP and all codes and regulations.
- 5. New single family <u>rental</u> structures <u>are not</u> eligible for rebates with either plan. Single family structures must be owner occupied.

Neighborhood Revitalization Plan No. 1

This plan was enacted on July 21, 1997 and will expire in 2010. It is for new construction and rehabilitation of single family homes, multi-family properties, commercial, industrial and historic properties. The area covers a majority of the older portion of the City south of Metropolitan Avenue, Lake of the Forest and an area in the NW quadrant of the City at State Avenue and 142nd Street. See map on back.

Neighborhood Revitalization Plan No. 1					
Classification	Minimum Investment	Rebate %	Years of Rebate		
New Single Family Residential	5% of Appraised Value	95%	10		
Rehab. of SF Residential	5% of Appraised Value	95%	5		
New Multi-Family 1-4 Units	5% of Appraised Value	95%	10		
Rehab. MF 1-4 Units	5% of Appraised Value	95%	5		
Commercial New and Rehab	15% of Appraised Value	95%	5		
Industrial - New and Rehab	15% of Appraised Value	95%	5		
Historical Property	5% of Appraised Value	100%	5		

Neighborhood Revitalization Plan No. 2

This plan was enacted on February 9, 2004 and will expire in 2009. Plan No. 2 is for <u>only new</u> construction of single family homes, multi-family, commercial and industrial properties. The new structure must appraise at \$140,000, which does not include the land, to be eligible for a rebate. The designated area is north of Metropolitan to south of I-70 and 142nd Street to an area east of the K-7 Corridor; the Canaan Center development area bounded by Riverview, K-7, I-70 and 132nd Street; and an area in the NE quadrant of the City by State Avenue and 118th Street. See map on back.

Neighborhood Revitalization Plan No. 2					
Classification	Minimum Investment	Rebate %	Years of Rebate		
NEW Single-Family Residential Multi-Family Commercial Industrial	The new structure must appraise at \$140,000.	75% 50%	2 3		

Frequently Asked Questions

- Q. How does the property tax rebate program work? It is a refund of the incremental increase in taxes paid because of a qualified improvement. The rebate applies only to the additional taxes resulting from the increase in the appraised value of the property due to the improvement. The property taxes prior to the improvement will continue to be payable. Taxes must be paid when due for the rebate to be issued. Example: If a home before repairs had an appraised value of \$50,000 and after a room addition had an appraised value of \$80,000, the rebate of taxes would be based on the increment in value, which is \$30,000.
- Q. What kind of improvements will increase the appraised value? New construction, additions and major rehabilitation require a building permit and will increase the appraised value. Repairs generally will not increase the appraised value, unless there are several major repairs completed at the same time. To qualify, improvements must increase the appraised value of residential, multi-family or historic properties by at least 5% and by at least 15% for commercial and industrial properties. Improved or newly constructed structures such as gazebos, storage buildings, workshops and swimming pools are not eligible as well as general property maintenance.
- Q. How do I get into the Property Tax Rebate Program? An application form should be obtained from the Bonner Springs Building and Codes Department and submitted concurrently with a building permit application. If the application is not submitted at the time that a building permit is obtained, the application must be submitted in time for the Unified Government Appraiser to establish a "base value." (Value of the property before the improvements began.)

