

Application for New Retail Business Incentive Three Year Partial Sales Tax Rebate Program

Business Name: _____

Business Address: _____

Kansas Business Tax ID Number: _____

Business Owner's Name: _____

Business Owner's Address: _____

Owner's Phone Number: _____ Date Business Started*: ____/____/____

*Proof of business start date must accompany this application.

Requirements and Information:

A partial City Sales Tax Rebate is made available for up to three years for new retail businesses located within the city limits of Ellis, Kansas by completing this application within 60 days of the start of business and meeting all requirements. The partial sales tax rebate is paid quarterly by the City Clerk to the approved new retail business. Requirements to become an approved retail business include completion of this application and submitting to the City Clerk copies of the sales tax reports filed with the Kansas Department of Revenue. Businesses which opened/started in 2018 are eligible to apply in 2019 for 2019 and subsequent benefits only.

For purposes of this program a New Retail Business is defined as a business which sells products and is newly formed and operating in the City of Ellis. This can include new branches or franchises of chain stores but cannot include existing businesses which change name or ownership.

Once approved by the City of Ellis, the new retail business should then submit a duplicate copy of their sales tax forms which they remitted timely to the Kansas Department of Revenue. These copies should be submitted to the City Clerk within 30 days after the beginning of the next calendar quarter. Rebates will only be made for that portion of the City's 1% general sales tax collected by retail business **subject to the following exemptions:**

- No local sales tax rebate will be made for any product or service for which the purchaser may be subject to a rebate or state exemption through the Kansas Department of Revenue or other state authority.
- If the local sales tax rebate is provided and a subsequent rebate is made to the purchaser through the Kansas Department of Revenue or other state authority, the business receiving the local tax rebate will be required to reimburse the City of Ellis that amount of local sales tax rebate.
- No rebate will be approved for retail sales or services which occur within any City of Ellis TIF (Tax Increment Finance District).
- This rebate will not be approved for a business which is primarily a service company (50% or more of the revenue comes from services) rather than retail sales. However, excluded types of new businesses may be eligible for the New Business Incentive Utility Program, which provides free sanitation and sewer services for up to one year.
- No rebate will be approved for entities in an individual's name. Applicant must be a legal business and registered with the Kansas Department of Revenue as the business in operation.
- No rebate will be approved for sales tax reports not filed timely with the Kansas Department of Revenue. All sales tax owed must be current; the rebate will not apply to delinquent sales tax owed.
- **Businesses may not apply for this program AND the New Business Incentive Utility Program. Participation in one program will result in a business not being eligible for the other program.**

The following information is required to be submitted *each quarter* for rebate:

A copy of the actual sales tax forms submitted to the Kansas Department of Revenue for the months, after City approval, during the prior quarter including any refunds or credits for the overpayment or underpayment of sales tax, supported by documentation provided to or from the Kansas Department of Revenue. Sales tax forms must be submitted *timely* to the Kansas Department of Revenue to be included in the Program.

For New Retail Businesses who have applied and been approved for this program:

1. The Sales Tax Rebate during the first year (12 consecutive months) of business establishment shall be **50%** of the one cent general City sales tax paid to the Kansas Department of Revenue by the business during the prior quarter. Currently, the City of Ellis receives 2 cents back from the State; however, one cent is committed to satisfy the debt payments of the Series 2016 General Obligation Refunding Bonds related to the 2006 Water Treatment Plant Project.

2. The Sales Tax Rebate during the second and third years (next 12-24 consecutive months) of business establishment shall be **25%** of the one cent general City sales tax paid to the Kansas Department of Revenue by the business during the prior quarter.

Conditions for Termination of the New Retail Business Rebate Program:

The program is subject to termination if any of the conditions below occur:

1. This rebate program for a new retail business shall not exceed 36 consecutive months.
2. This rebate program is subject to the budget authority granted during approval of the City of Ellis annual operating budget. If budgeted funds are not available to rebate the entire sales tax submitted, preference for rebate will be granted to businesses in accordance to longevity in the program, and then will be rebated in the order the requests for rebate were received.
3. Any approved applicant who fails twice to submit a sales tax report (consisting of the required documentation outlined above) within the 30 days after the end of their reporting period (quarterly or annual) will be terminated from the program. It is the business owner's responsibility to submit their sales tax forms either quarterly or at the end of their respective reporting periods after Council approval. It is not the responsibility of the City to remind businesses of documentation not submitted within the 30 days after the end of the businesses reporting period.

Miscellaneous Provisions:

The City recognizes the State established quarters for rebate purposes: January – March, April – June, July – September, and October – December.

The rebate will be mailed to the approved business within 30 days after the City Clerk receives the required sales tax forms from the business. Submissions for rebate should be sent by mail (Ellis City Clerk, 815 Jefferson St., Ellis, KS 67637), email (clerk@cityofellisks.gov), or delivered directly to the City Clerk's office at City Hall.

_____ (business name) agrees to abide by these guidelines and hereby requests admission into the City of Ellis New Retail Business Rebate program.

Business owner signature: _____

Business owner name printed: _____

Date Signed _____

For City Use Only

☐ Approved ☐ Denied by the Ellis City Council on this _____ day of _____ 20 _____

Mayor

Attest:

City Clerk