

CITY OF TOPEKA

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To: Policy and Finance Committee

From: Rachelle Mathews, Deputy Director of Administrative and Financial Services
Adam Vaughn Budget Manager

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Re: Property Tax and Rental Rebates

There are many cities across the country offer Property Tax Rebate and Renter Rebate programs as a way to assist citizens in need. Property Tax Rebate programs give tax money back to qualified residents. Renter Rebate programs assist struggling residents with their rent. Four Kansas cities – Shawnee, Roeland Park, Merriam, and Prairie Village – administer similar programs. This memo summarizes the work in these cities as well as the State of Kansas' rebate programs and recent legislature bills.

Program Overview of the Kansas Cities

The City of Shawneeⁱ recently initiated a property tax rebate pilot program. Eligible residents can receive a 100% rebate - up to \$500 - of the City's property taxes. Special assessment rebates are exempt under this program. Program applicants must: 1) be a resident of Shawnee, 2) be current on property taxes and special assessments, and 3) meet the Very Low Income requirements as outlined by the Department of Housing and Urban Development. The City of Shawnee allocated approximately \$98,000 for this program through the use of a Community Improvement District.

Roeland Park,ⁱⁱ and Merriamⁱⁱⁱ utilize the same eligibility requirements for their programs. However, funding is allocated from the city's General Fund. Prairie Village^{iv} has an additional eligibility requirement: applicants must occupy a home that is appraised by the county at or below the previous year's average property value.

Program Administration Outline by City

The City of Shawnee's^v pilot program has received approximately 56 applications and denied six due to eligibility requirements. An application comes in through the City Clerk's Office and is then input into a database where the Finance Director verifies the applicants' tax information. The number of applications received and timeframe to complete the process has allowed current staff to administer the program.

Roeland Park received 19 applicants and refunded a total of \$10,255 in 2021. Roeland Park's^{vi} program is administered by their Code Enforcement Officer. Applications are accepted all year. In June, the City Council reviews the applications and upon approval the Finance Director sends out the refunds to eligible applicants.

Prairie Village^{vii} has completed one year of their program, rebating a total of \$14,015 to 27 eligible applicants thus far. The City Clerk administers the program, so there are no additional administrative costs.

Merriam^{viii} is also in its first year of its program and has issued 19 rebates totaling just under \$12,000. The Community Development Department oversees the program.

State of Kansas Programs

The State of Kansas^{ix} has a Homestead Refund program which rebates a portion of property tax paid on homes. The refund is a percentage of the property tax paid (excluding special assessments) and is based on total household income. The maximum refund is \$700 per eligible individual. To qualify, the resident must have a 2021 income of \$36,600 or less, and be born before 1966, permanently disabled, or have dependent children throughout all of 2021.

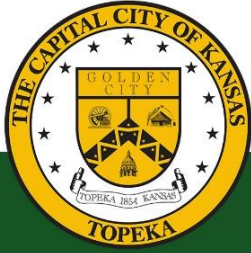
The State also offers the Kansas Property Tax Relief program. This program is for homeowners with a household income of \$20,900 or less and who were born before January 1, 1956. The refund from this program is 75% of the property taxes paid for a principal residence. Residents can only receive a refund from one of the state programs.

Recent Legislature Bills

In 2022, the Kansas Legislature passed a bill^{xi} which refunds excess property tax of residents when compared to their base year property tax (i.e. the year the individual is eligible for the refund or 2021 at the latest). To qualify, individuals must be 1) at least 65 years old or a disabled veteran, 2) reside in a homestead with an appraised value of \$350,000 or less for the entire year, and 3) have a household income of \$50,000 or less. Individuals seeking a refund would not be eligible to utilize the Homestead Refund or the Selective Assistance for Effective Senior Relief Credit programs.

Other States' Programs

Many states offer similar Property Tax and Rental Rebate programs. Pennsylvania^{xii}, Colorado^{xiii}, and Connecticut^{xiv} utilize the following eligibility requirements: residents applying must be 65 or older, widowed, or disabled. New York^{xv} and Missouri^{xvi} also offer Property Tax Rebate programs for the elderly and residents of lower income. Pennsylvania finances their program through the State's lottery fund. Connecticut's Renter Rebate program utilizes an income scale and is based on the amount of rent and utility payments the applicant made in the previous calendar year.



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- ⁱ [Property Tax Rebate Pilot Program](#)
 - ⁱⁱ [2022 Property Tax Rebate Program](#)
 - ⁱⁱⁱ [Residential City Property Tax Rebate Program City of Merriam](#)
 - ^{iv} [Property Tax Rebate Program | City of Prairie Village \(pvkansas.com\)](#)
 - ^v Finance Department, City of Shawnee, Kansas
 - ^{vi} Finance Department, City of Roeland Park, Kansas
 - ^{vii} City Clerk Office, City of Prairie Village, Kansas
 - ^{viii} Finance Department, City of Merriam, Kansas
 - ^{ix} [Homestead Refund Claim \(kansas.gov\)](#)
 - ^x [2021 Homestead or Property Tax Refund for Homeowners Instruction Booklet and Forms Rev. 8-21 \(ksrevenue.gov\)](#)
 - ^{xi} [ccrb_hb2239_01_033122pm.pdf \(kslegislature.org\)](#)
 - ^{xii} [Apply For Your Property Tax/Rent Rebate Online With myPATH \(DPO-87\)](#)
 - ^{xiii} [Property Tax/Rent/Heat Credit \(PTC\) Rebate | Department of Revenue - Taxation \(colorado.gov\)](#)
 - ^{xiv} [Renters Rebate for Elderly/Disabled Renters Tax Relief Program](#)
 - ^{xv} [NYS Budget offers property tax rebate \(news10.com\)](#)
 - ^{xvi} [Services | Property Tax Credit or Circuit Breaker \(stlouis-mo.gov\)](#)