

State of Kansas Incentives



Promoting Employment Across Kansas (PEAK)

PEAK is intended to encourage economic development in Kansas by incenting companies to relocate, locate or expand business operations and jobs in Kansas. During the benefit period, participating PEAK companies may retain 95% of the state payroll withholding tax of PEAK-Eligible employees/jobs that pay at or above the county median wage where the operations and jobs will be located. Depending on the number of PEAK jobs/employees to be hired in Kansas over a five-year period and their wage levels, the Secretary can approve benefit periods of up to 10 years. PEAK requires the qualified company to commit to creating at least ten (10) new jobs in metropolitan counties over a two-year period. The qualified company must also pay wages to the PEAK jobs/employees, that when aggregated, meet or exceed the county median wage. Qualified applicants include for-profit companies in eligible NAICS codes. Such companies must make available to full-time employees “adequate” health insurance coverage and pay at least 50% of the premium.

High Performance Incentive Program (HPIP)

Companies may be eligible for a Kansas Income Tax Credit equal to 10% of eligible capital investment that exceeds \$1 million in metro counties (\$50,000 in non-metro counties). This credit has a 16 year carry-forward provision and has no cap.

HPIP eligible companies will also receive an Employee Training Tax Credit, which provides a dollar-for-dollar state tax credit up to \$50,000, for training and education expenditures that exceed 2 percent of total payroll at the worksite. This tax credit has no carry-forward provision. In addition to the above benefits, this program also will provide the company with a sales tax project exemption to use in conjunction with the company’s eligible capital investment at its qualified facility.

In order to be considered for HPIP certification, the company must:

- Pay above average wages as compared to other similar firms in the same geographical area with matching NAICS codes.
- Invest at least 2% of payroll in training or participate in one of the state's workforce training programs.
- Be a manufacturer or able to document that most of its sales are to Kansas manufacturers and/ or out-of-state businesses or government agencies.

Qualified companies must fall into major NAICS category 221, 311-425, 481-721, or 811-928 (generally excluded from eligibility are retailers and businesses involved in agriculture, construction and mining, unless the worksite is a headquarters or back-office of a national or multi-national corporation.)

Kansas Industrial Training (KIT)

This program provides training assistance in net new job creation. Firms must show that they are creating at least one net new job in the State of Kansas to qualify. Training can include pre-employment, classroom and on-the-job training by in-house instructors or vendors. Trainees

may receive instruction on the company's own production equipment, on the plant floor, or on similar machinery in a classroom setting. Eligible expenditures include instructor salaries, curriculum planning and development, materials, supplies, textbooks and minor training equipment. Terms are negotiable and cover up to 100% of training costs.

Kansas Industrial Retraining (KIR)

This program provides training assistance to companies in industries that are restructuring or retraining their workforce due to changing /upgrading technology and to companies diversifying production activities. A company must show that employees to be trained are likely to be displaced because of obsolete or inadequate job skills and knowledge. A company must retrain at least one existing position to qualify.

Other Workforce Development Assistance

A wide variety of services are available to businesses through the Kansas Workforce Centers located throughout the state. Services include but are not limited to:

- statewide and national job listings
- applicant pre-screening and application acceptance
- space to conduct interviews as well as staff to assist in scheduling
- space for job fairs
- applicant assessment services and testing
- Veteran services
- current labor market information

These services are available to all Kansas employers at no cost and may be accessed through www.kansasworks.com or by contacting the local Kansas Workforce Center.