

EMPLOYER-SPONSORSHIP OF ROZ APPLICANTS



The Department of Commerce encourages ROZ Counties to partner with local employers to sponsor individual ROZ applicants. Employers are allowed to sponsor their employees and/ or hiring candidates for ROZ. This would mean the employer would provide the necessary ROZ funding for the ROZ County's share of the annual payment. Sponsored ROZ Participants are not subject to the "first-come, first-served" rule that is applied to the general applicant pool.

REQUIREMENTS:

1. ROZ County must notify the Department of Commerce of a planned Employer-sponsorship. Commerce will confirm the availability of State ROZ matching funds.
2. Sponsoring Employer must submit a completed Rural Opportunity Zone – Employer Sponsorship Application to the Department of Commerce and inform the ROZ County that they will be sponsoring a ROZ Applicant.
3. Employer must agree as part of the sponsorship to pay the annual matching payment for the sponsor-employee or candidate for the full 5 years or for as long as the individual remains eligible for ROZ benefits in the County.*

***NOTES**

1. Employer sponsorships must be for 5 years, subject to ROZ recipient meeting ROZ eligibility requirement. Sponsorships will not exceed 5 years
2. Employers are not required to continue paying the ROZ matching payment for an employee that voluntarily terminates employment with the company.
3. ROZ applicants that move to a different county are no longer eligible to receive ROZ student loan repayment benefits.
4. Any ROZ matching payments made by the employer are non-refundable.
5. In the event the business ceases operations and the ROZ recipient continues to meet ROZ requirements, the ROZ applicant will be placed in the general applicant pool and awarded ROZ payments subject to the availability of county funds.
6. Employer-sponsors are not required to pay ROZ sponsorship if employee is terminated.
7. Employer and County must notify Commerce of change in employment status
8. Employer and County must notify Commerce of change in residency location
9. Taxability of ROZ benefits: We are currently seeking clarification from the IRS on this question. The Kansas Department of Revenue has informed Commerce that any ROZ benefits paid by an employer would be considered taxable, if they are considered taxable by the IRS.

Employer-Sponsors are encouraged to contact a tax professional to determine any possible tax benefits.











