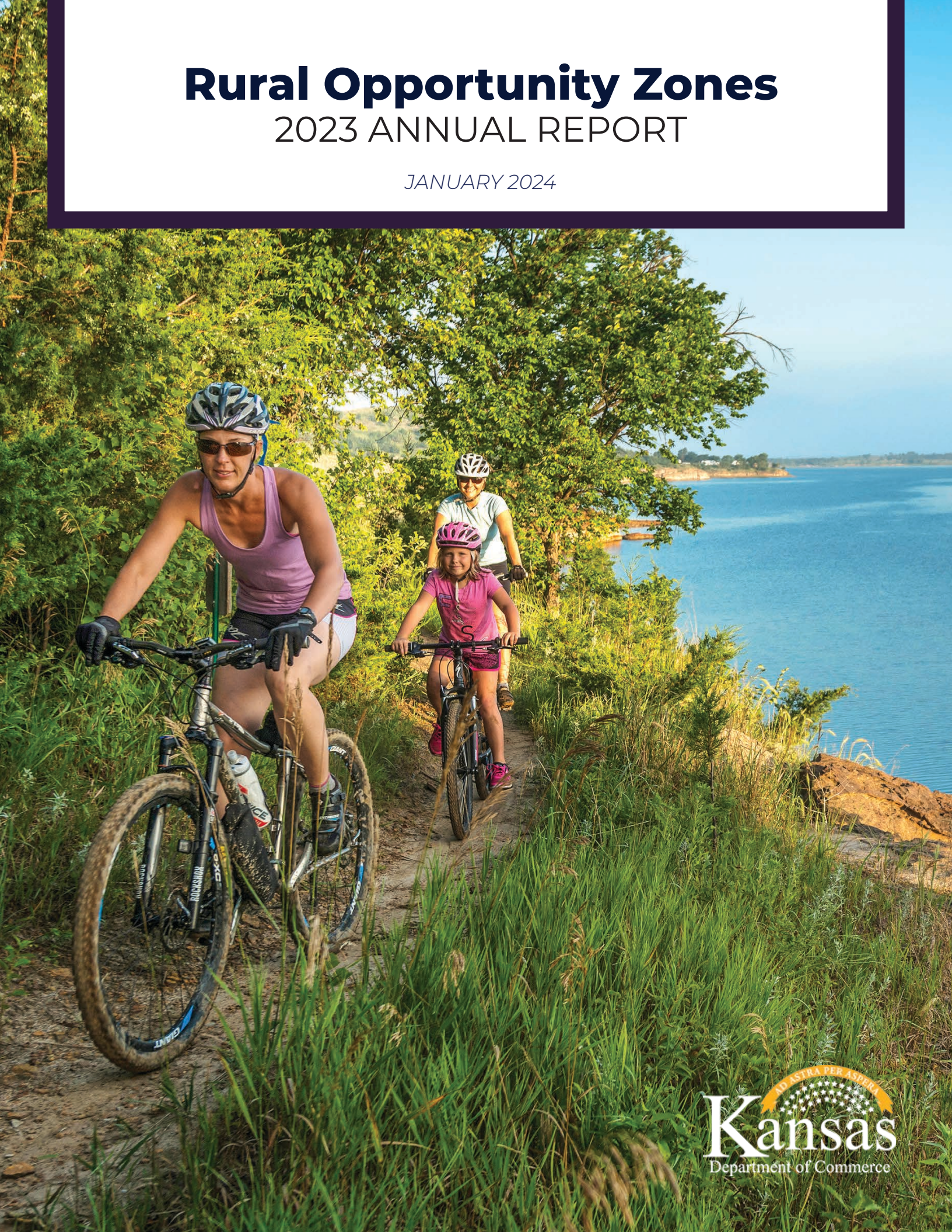


# Rural Opportunity Zones

## 2023 ANNUAL REPORT

JANUARY 2024





# The Rural Opportunity Zone (ROZ)

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The Rural Opportunity Zone (ROZ) Program was introduced in 2012. The main goal of the program is to attract residents and businesses to rural areas where population losses have been the steepest. It includes two individual financial incentives that are funded through a single appropriation of \$5 million, but each maintains separate eligibility requirements. The program was initially targeted to 50 counties, but it has been expanded in recent years to include 95 counties.

The program consists of two components: (1) a state income tax credit; and (2) student loan repayment assistance, both of which are available for up to five years. Currently, 93 of the 95 counties offer student loan repayment assistance, 40 counties offer county sponsorship of the program, four cities offer city sponsorship and all 95 counties offer the income tax credit component.

## **INCOME TAX CREDIT**

The five-year state income tax credit aims to relieve some of the costs associated with an interstate move, such as obtaining a new driver's license, registering and insuring an automobile, paying required deposits for rent and utilities and finding new healthcare providers, among other things. The tax credit component of the ROZ program provides a credit for 100% of the participant's state income tax liability for up to five years.

To qualify for the state income tax credit, the applicant must meet the following criteria:

- Establish domicile in a ROZ county on or after the date the county was included in the program.
- Have lived outside the State of Kansas for at least five years prior to establishing domicile in the ROZ county.
- Earned less than \$10,000 in Kansas-source income in each of the five years immediately prior to establishing domicile in the ROZ county.
- Reside in the county from January 1 to December 31 of the year the waiver is requested.

## **STUDENT LOAN REPAYMENT ASSISTANCE**

The student loan repayment assistance component of the program aims to help rural businesses and communities recruit people with a higher education degree and a broader range of skills to fill positions within the area. By partnering with business and county sponsors, Kansas offers eligible individuals up to \$3,000 per year for five years to apply toward their student loans. If an individual's loan balance is less than \$15,000, they receive 20 percent of the loan balance paid each year. For example, a person with \$10,000 in student loan debt would receive \$2,000 per year, for five years.

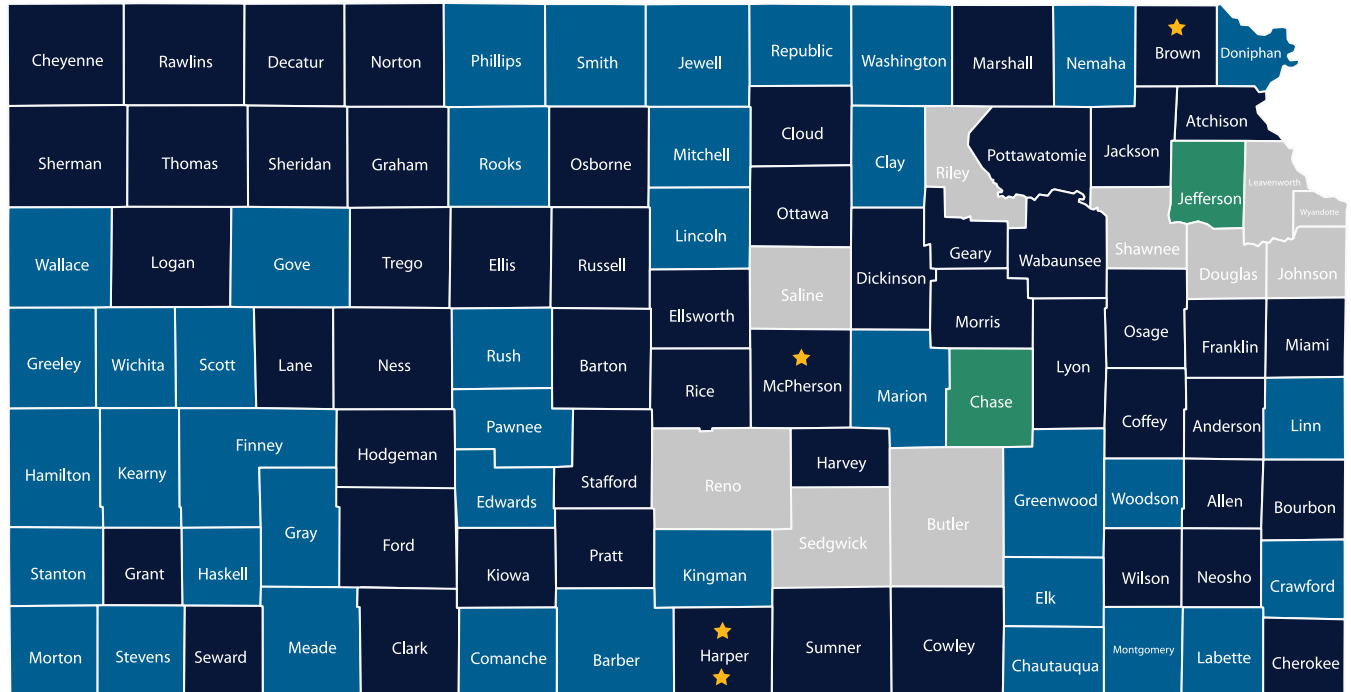
To qualify for student loan repayment assistance, an applicant must meet the following criteria:

- Establish domicile in a ROZ county after July 1, 2011, and on/after the date on which the county opted into the student loan program.
- Hold an associate, bachelor's or postgraduate degree prior to moving to a ROZ county.
- Have an outstanding student loan balance in applicant's name.
- Be able to provide proof of residency at current and previous addresses, proof of degree and proof of student loan balance with distribution dates.
- Have a local matching sponsor. An applicant must have a sponsor to receive funding for the program.

# ROZ FINANCIAL STATISTICS 2012 - 2022

TAX YEAR	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
FILERS	104	259	342	420	492	524	503	497	481	445	468
CREDIT ALLOWED	\$263,660	\$575,331	\$968,896	\$1,289,433	\$1,344,639	\$1,731,122	\$1,929,079	\$1,960,796	\$1,810,423	\$1,648,850	\$1,696,675

**TOTAL - \$15,218,904**



■ County, City, Employer and Foundation Sponsors 
 ■ City, Employer and Foundation Sponsorships only 
 ■ Eligible ROZ county, has not sent in 2023 Resolution 
 ■ Not ROZ 
 ★ City Sponsor

## 4,268

TOTAL APPLICATIONS

## 2,140

STUDENT LOAN  
PARTICIPANTS  
ALL TIME

## 274

CURRENTLY ACTIVE

## 601

COMPLETED 5 YEARS

## 566

WITHDREW - NEVER  
FUNDED\*

## 106

WITHDREW - PAID  
LOANS OFF EARLY

## 487

DISQUALIFIED

## 105

WAITING FOR SPONSOR

## 40

COUNTIES ACTIVELY  
PARTICIPATING IN  
STUDENT LOANS

\*Eligible applications withdrawn from the ROZ program due to lack of available funding in the county or applicant moved from the eligible county.