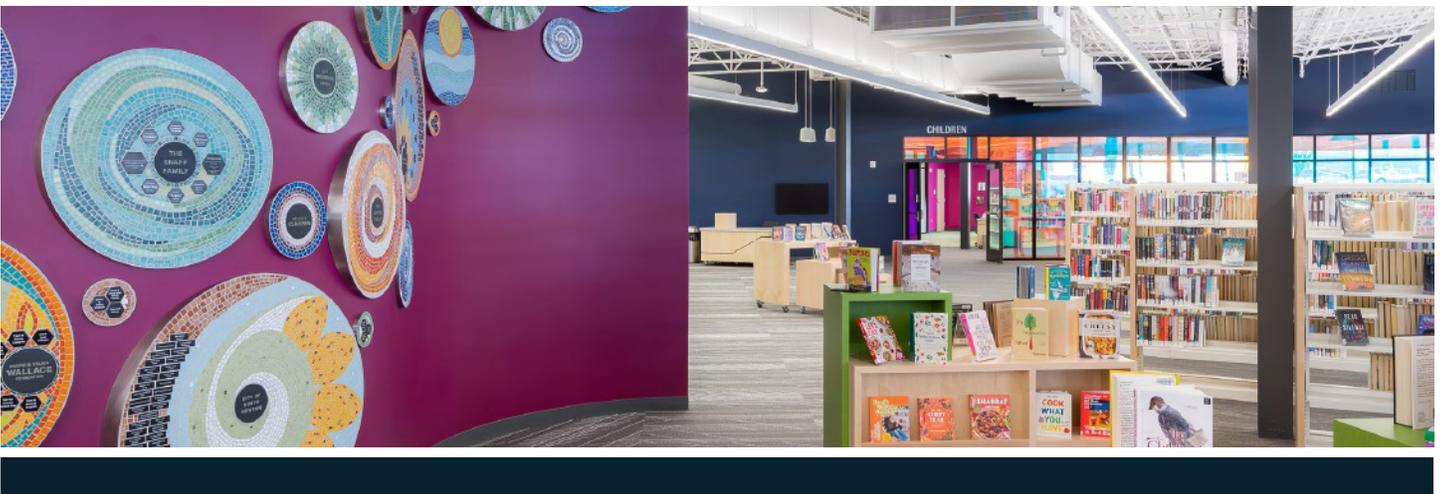


COMMUNITY SERVICE TAX CREDIT PROGRAM



The Community Service Tax Credit Program (CSP) is a competitive program for nonprofit organizations offered on an annual basis. If you are considering an application and have questions, please contact us.

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Opening Date: March 1, 2026

Webinar Date: February 26, 2026

Deadline: April 30, 2026

Kerri Falletti, Program Manager

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CSP.TaxCredit@ks.gov

Updated February 2026

KANSAS
COMMERCE

OVERVIEW

The Community Service Program Tax Credit provides an opportunity for private nonprofit organizations and public healthcare entities to improve their ability to undertake major capital campaigns for projects involving community service including childcare, nongovernmental crime prevention, healthcare, youth job and technical training. Under this program, the state authorizes select nonprofit organizations to offer tax credits to donors making contributions to the approved projects. Due to the strong demand for these credits, organizations awarded credits may receive less than the full amount of credits requested. The program will award \$4.13 million in tax credits for eligible projects in Fiscal Year 2027. The maximum award of tax credits is \$200,000 per project.

The percentage of credits awarded to the donor is dependent on the location of the charity (not the location of the contributor). Eligible donors may receive a credit equal to 70 percent of the amount contributed if the community service organization is in a rural community (less than 15,000). If the community service organization is in an urban community (more than 15,000), eligible contributors receive a credit equal to 50 percent of the amount contributed. All Johnson County applicants, regardless of community size, are eligible for a 50 percent credit.

PURPOSE

By offering state tax credits to donors, the program incentivizes contributions towards initiatives that enhance community services.

GOALS

- Support projects that meet real needs in Kansas communities.
- Encourage businesses and individuals to give to local nonprofits through tax-credit incentives.

- Improve quality of life by helping organizations expand important services.
- Strengthen communities by supporting projects that make a clear, positive impact.
- Use state tax credits responsibly to help nonprofits serve more people.

ELIGIBLE APPLICANTS

Any organization performing community services, as defined in K.S.A. 79-32,195, may submit a proposal provided they meet one or more of the following classifications:

- Organizations holding IRS ruling 501(c)3
- Organizations incorporated in the state of Kansas or another state as a non-stock, nonprofit organization
- Organizations designed as a community development corporation by the United States government
- Organizations chartered by the United States Congress
- City, county or district hospitals, nursing homes, health departments and medical clinics.

INELIGIBLE APPLICANTS

- City and County Governments
- In-home childcare facilities

TIMELINE

- Grant Announcement: February 1, 2026
- Application Period: March 1, 2026 – April 30, 2026
- Submission Deadline: April 30, 2026
- Award Notification: June 2026
- Informational/Grant Application Webinar:
Date: February 26, 2026
Time: 1:00pm
Link: <https://us02web.zoom.us/meeting/register/Y1K5uSYpQDSpicGtIJKnaQ>

APPLICATION PROCEDURES

- Online application link can be found here: www.KansasCommerce.gov/CSP.
- Questions should be directed to Kerri Falletti at CSP.TaxCredit@ks.gov.
- Applications that are incomplete or missing documentation will not be reviewed for rating or considered for funding.
- Estimated Time to Complete Application: 2 Hours

FUNDING AVAILABILITY

- Total Funding Available: \$4,130,000.00
- Maximum Award Amount: \$200,000.00
- Expected Number of Awards: 25
- Period of Performance: July 1, 2026 – December 31, 2027

The Kansas Department of Commerce expects to announce selected grantees in July 2026. If selected, only donations received during the awarded period are eligible for tax credits – July 1, 2026, through December 31, 2027.

ELIGIBLE PROJECTS

Under the Kansas Community Service Program Tax Credit each proposal shall address one of the following areas to qualify:

1. COMMUNITY SERVICE

Community Service is the conduct of activities which meet a demonstrated community need and are designed to achieve improved educational and social services for Kansas children and their families. The activities are coordinated with communities including, but not limited to, social and human service organizations that address causes of poverty through programs and services that assist low-income persons in areas of employment, food, housing, emergency assistance and healthcare.

Childcare and early childhood development activities are eligible for those providing services for ages five (5) and under including eligible facilities as defined by Kansas Department of Health and Environment Licensing and Regulations.

2. NON-GOVERNMENTAL CRIME PREVENTION

Crime prevention is defined as any nongovernmental activity that aids in the prevention of crime. No crime prevention proposal will be approved without endorsement from the local government agency in the area where the program will take place.

3. YOUTH APPRENTICESHIP AND YOUTH TECHNICAL TRAINING

Youth Apprenticeship and Technical Training are activities designed to improve the access to and quality of apprenticeship and technical training for youth up to the age of 24. The activities support an emphasis on rural construction projects as well as the necessary equipment, facilities and supportive mentorship for youth apprenticeships and technical training.

4. HEALTHCARE SERVICES

Healthcare Services include, but are not limited to, the following:

Services provided by:

- local health departments
- city, county or district hospitals
- city or county nursing homes
- other residential institutions.

Preventive healthcare services offered by a community service organization, including:

- immunizations
- pre-natal care
- home health care services that enable postponement of entry into nursing homes

Community-based services, including:

- services for persons with a disability
- mental health services
- indigent healthcare
- physician or healthcare worker recruitment
- health education
- medical services
- services provided by rural health clinics
- integration of healthcare services
- home healthcare services
- services provided by rural health networks.

INELIGIBLE PROJECTS

Eligible organizations may not receive tax credits two consecutive award years.

Previously awarded CSP projects are not eligible to apply, even if award years are not consecutive.

ELIGIBLE PROGRAM COSTS

Capital campaigns and capital improvements (building renovations or additions)

Major equipment purchases for program delivery or facility enhancement

Capacity-building projects tied to expanding or improving services.

INELIGIBLE PROGRAM COSTS

Personnel and staff costs – wages, salaries and related staff expenses

MATCH REQUIREMENT

There are no match requirements. However, as part of the competitive review process, applications demonstrating strong fundraising readiness may receive a higher score. Organizations that have secured signed pledge letters totaling at least 50% of their anticipated donation goal show a greater likelihood of successful tax credit utilization and project implementation.

AUTHORITY

The Community Service Program Tax Credits are administered by the Kansas Department of Commerce pursuant to K.S.A. 79-32,194 through 79-32,199, which authorizes the department to review, approve, and oversee all program proposals and criteria.

DEFINITIONS

Rural Community:

Any city having a population of fewer than 15,000 located in a county that is not part of a standard metropolitan statistical area as defined by the United States Department of Commerce or its successor agency; Any city having a population of fewer than 15,000 located in a county defined as a standard metropolitan statistical area, if a substantial number of persons in the county derive their income from agriculture; or Any city in a county defined as a standard metropolitan statistical area which is the only city in its county that has a population that exceeds 15,000.

The determination of whether a project qualifies as urban or rural is based on the mailing address for where all project interactions (mail, donations, receipts, etc.) will be sent. If the project site is not active and the headquarters will be receiving all project interactions, the address of the headquarters determines whether the project qualifies as urban or rural.

Innovative:

Innovation means doing more than repeating known solutions. Strong projects show creative thinking in how a problem is defined, how methods are used, or how outcomes could influence real-world practice.

RELEASE OF INFORMATION

Information submitted to the Kansas Department of Commerce relating to the application may be subject to the Open Records Law (K.S.A. 45-215 et seq.).

APPLICATION INSTRUCTIONS

APPLICATION QUESTIONS

- Project Narrative
- Project Description
- Project Need
- Project Summary
- Project Administration
- Project Goals
- Proposed Project Timeline
- Proposed Fundraising Timeline
- Fundraising Capacity
- Project Funding Strategy
- Budget Justification
- Project Support

APPLICATION FEE

There is a required \$250.00 application fee. It must be paid prior to submitting your application and proof of payment is a required attachment. It can be paid online at www.KansasCommerce.gov/CSP or as a check payable to Kansas Department of Commerce with CSP Application Fee in the memo and mailed to:

Kansas Department of Commerce
CSP Tax Credit Program
Attn: Kerri Falletti
915 SW Harrison, Ste 250
Topeka, KS 66612

REQUIRED ATTACHMENTS

Attachments and support materials must be uploaded into the application through Salesforce. Attachments and support materials will not be accepted by any other method. Required attachments are required for eligibility. The required attachments are:

1. A signed copy of the State Policy Regarding Sexual Harassment Acknowledgment Form. Blank form here.
2. Articles of Incorporation.
3. Bylaws of the organization.
4. IRS tax-exempt status notification if applicable. Nursing homes must submit an IRS tax-exempt status notification (not applicable to hospitals, but please include tax-exempt documentation if a nonprofit foundation will be receiving funds for the project).
5. A current “letter of good standing” from the Kansas Secretary of State (not applicable to hospitals). A business or organization must be in a “Good Standing” status with the Secretary of State before being recommended for funding through Commerce. A purchased certificate is not required. A screenshot of the results will suffice.
6. Department of Revenue Tax Clearance Certificate
7. Minutes of the board meeting where the Community Service Program Tax Credit application was reviewed and approved. Please highlight or underline that portion of the minutes where the application was reviewed and approved. If minutes are confidential, they may be submitted with redaction (black lines).
8. Completed Budget Template

9. A current list of the organization’s board of directors with addresses and phone numbers where board members may be reached.
10. A legible map showing boundaries of the service area or the project location. Available software: <http://mymaps.google.com>.
11. Pledge letters of financial support for the project. These letters need to reflect a specific dollar amount. To receive credit for pledge letters, the letters must be included with the application at the time of submission. A sample pledge letter is included in the application package.
12. Other letters showing support and cooperation (e.g., multi-county application might include letters from all benefiting counties, related organizations that see the project as complementary to current services, local or county officials, businesses, state elected officials, etc.). To receive credit for letters of support, they must be included with the application as an uploaded attachment. NOTE: to simplify processes and reduce burdens on applicants, letters from congressional delegates are not scored and will not be considered.
13. Financial audit of the organization or a copy of their current 990 IRS form. Applicants are required to submit an independent financial audit of the organization for the most recent fiscal years copy of their current 990 IRS form in lieu of an audit. NOTE: If the organization has been in existence for more than two (2) years or has more than \$100,000 of annual gross receipts in each of the previous two (2) years, an audit is preferred but not required.
14. Copy of Childcare License (if applicable)
15. Copy of Proof of Application Fee Payment

BUDGET NARRATIVE

In your budget narrative, describe the anticipated costs of your project and identify the major expenses. Indicate the portion of these expenses that will be covered by CSP tax credits, if awarded. Include any additional sources of funding that will contribute to the project, such as grants, donations, or organizational resources. Identify any major in-kind services or donated land at the project site that have already been pledged. Provide project bids or cost estimates to justify the scope and cost of the project. Finally, explain why Community Service Program Tax Credit funding is being requested and how it will support the success and impact of your project.

SUBMISSION INSTRUCTIONS

Applications are to be submitted through the Salesforce platform. Applicants will need to create an account or log into an existing account prior to completing the application itself. If there are any technical questions about Salesforce, please contact KDC_Salesforce.Admin@ks.gov. For any program related questions, please contact CSP.TaxCredit@ks.gov.

Once in the Salesforce portal, navigate to the Community Service Program Tax Credits funding opportunity. Complete the required prompts on the funding opportunity. Applicants will be able to save their progress in the portal. Upon successful submission of the grant application, the primary email connected to the application will receive a confirmation email including a PDF attachment of the application.

LATE APPLICATIONS

To maintain a fair application process, the Kansas Department of Commerce will not accept late grant applications. For emergency circumstances please contact Kerri Falletti at Kerri.Falletti@ks.gov to discuss any extenuating circumstances that led to a late submission.

APPLICATION REVIEW INFORMATION

Kansas Commerce strives to review grants through an objective and unbiased process. Grants will be reviewed based on rubric criteria by a panel.

REVIEW CRITERIA

The Kansas Department of Commerce will evaluate all applications based on the following criteria:

- Project Need (25 points)
- Innovation (5 points)
- Agency Capacity (5 points)
- Project Planning (10 points)
- Fundraising Capacity (25 points)
- Community Support (10 points)
- Overall Quality (10 points)
- Confidence in Project (10 points)

SCORING

The maximum number of points an application can earn is 100. Reviewers will individually score each application or each section that is assigned to them. A scoring rubric will be published with the grant opportunity and on the grant webpage. Funding priority criteria may be allocated a higher percentage of the total score or weighted more. Applications must earn enough points for their application to fall under “Meets Expectations”, “Exceeds Expectations”, or “Exemplary” to be recommended for funding. Meeting one of these values does not guarantee funding for a project.

SELECTION CRITERIA

Kansas Commerce will announce the amount of funds available for the Community Service Program Tax Credits subject to funding availability. All grant applications approved by the Department of Commerce will be funded according to the process set forth in the following:

All applications received by the deadline will be reviewed for eligibility and threshold criteria, as outlined in the guidelines. Eligible applications will then be reviewed and rated according to the established rubric and scoring matrix.

Kansas Department of Commerce may determine which grant applicants will receive state grant funds based on a number of factors, including:

- Grant reviewer scores
- Geographic distribution of grant applicants
- Services to specified populations
- History of grant applicant as a state grantee
- Applicant’s capacity to perform the work
- Pre-award capacity assessment of applicant

All awards must be approved by the Secretary of Commerce.

| VALUE | DESCRIPTION | SCORE |
|------------------------------|---|--------|
| EXEMPLARY | Clearly explains the project and its significant public value, justifying the allocation of financial support from the State of Kansas. | 92-100 |
| EXCEEDS EXPECTATIONS | Satisfactorily explains the project and its public value, justifying the allocation of financial support from the State of Kansas. | 80-91 |
| MEETS EXPECTATIONS | Sufficiently explains the project and its public value, and may justify the allocation of financial support from the State of Kansas. | 68-79 |
| NEEDS IMPROVEMENT | Does not sufficiently explain the project or its public value; does not warrant the allocation of financial support from the State of Kansas. | 56-67 |
| INSUFFICIENT EVIDENCE | Provides an incomplete and/or inadequate explanation of the project or its public value. The information is confusing, not very clear, and/or doesn’t give enough details. Does not warrant funding from the State of Kansas. | 0-55 |

AWARD NOTIFICATION

Kansas Commerce strives to notify applicants of awards in a timely manner. Applicants will be notified via email if they have been selected by June 1, 2026.

GRANT PROVISIONS

The Community Service Program (CSP) Tax Credit is authorized under K.S.A. 79-32,195 through 79-32,197a and is administered by the Kansas Department of Commerce. The program supports new or one-time projects that create lasting community benefit through capital campaigns, facility renovations, major equipment purchases, and capacity-building efforts. Projects must address a demonstrated community need and fall within one of the program's eligible service areas, including community services (including childcare), non-governmental crime prevention, youth apprenticeship and technical training, and healthcare services.

Eligible costs include capital construction or renovation, major equipment purchases, project-specific materials and supplies, and other expenses that are directly related to the approved project and included in the application budget. Non-cash contributions (such as professional services, personal property, securities, or real estate) may be eligible when properly documented and directly tied to the approved project.

Tax credits may be offered for qualified contributions received between July 1, 2026, and December 31, 2027. The maximum tax credit allocation is \$200,000 per project. Awarded amounts may be less than requested, and unused credits may be reduced or reallocated by Commerce if not being fully utilized.

Grant administration and project management costs directly related to the approved project may be eligible when clearly justified in the project budget. Ongoing operating expenses are not eligible.

Ineligible expenses include but are not limited to:

- Fundraising activities or expenses
- Taxes, except sales tax on goods and services and required payroll taxes
- Lobbyists or political contributions
- Bad debts, late payment fees, finance charges, or contingency funds
- Parking or traffic violations
- Out of state transportation and travel expenses. Kansas will be considered the home state for determining whether travel is out of state.
- Ongoing operating costs, operating deficits, or expenses not directly related to the approved project.
- Projects that have previously received Community Service Program Tax Credits or organizations awarded credits in the immediately preceding award year.

GRANT PERFORMANCE EXPECTATIONS

In addition to Applicant Eligibility, all grantees are expected to:

1. Complete all proposal activities within the grant period
2. Include only allowable expenses in the proposal budget
3. Comply with all grant administration requirements:
 - Provide the required information for grant award agreement
 - Sign and return the grant award agreement to Commerce within 30 calendar days of receipt.
 - Request approval for any changes to the grant award agreement.
 - Complete a final report within 30 days of project completion and no later than seven (7) months after the contract start date, whichever occurs first

- Maintain complete and accurate grant records, including all documentation, for a minimum of three years after the end of the grant period.
- Comply with the requirements of the State of Kansas Policy Against Sexual Harassment, Discrimination, and Retaliation established by Executive Order 18-04.
- Use the appropriate credit line or approved logo to acknowledge grant funding in all publications. See grant contract for credit requirements.

ACCOUNTABILITY AND REPORTING

- October 20, 2026 – Q1 Report Due
- January 20, 2027 – Q2 Report Due
- April 20, 2027 – Q3 Report Due
- July 1, 2027 – Reallocations begin, if necessary
- July 20, 2027 – Q4 Report Due
- October 20, 2027 – Q5 Report Due
- December 31, 2027 – Tax Credits Expire
- January 20, 2028 – Q6 Report Due
- December 31, 2028 – Projects are complete, all funds are expended and final reports are due. *Projects and final reports can be completed prior to this date.

RELEASE OF INFORMATION

Information submitted to the Kansas Department of Commerce relating to the application may be subject to the Open Records Law (K.S.A. 45-215 et seq.). Confidentiality will not be guaranteed.

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CONTACT US

The Community Service Program Tax Credit Program is administered by the Kansas Department of Commerce through its Quality Places Division. Our team is here to support your community with information, guidance, and resources. If you have questions please reach out. Someone from our staff will be happy to help.



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 Program Manager
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