

## Small Business Incentives Eligibility & Restrictions

## **General Requirements:**

- The business must be located in the City of Topeka or Shawnee County.
- The applicant must be at least 50% owner of the business.
- The business must be a for-profit business.
- > For existing businesses, the business must have at least one full-time employee and no more than 100 full-time and/or part-time employees.
  - Pre-venture businesses must aim to have at least one full-time equivalent employee at opening and no more than 100.
- The use of funds is for a sound business purpose that will generate economic impact.
- Within the last three years, the business cannot have received the Small Business Incentive(s) currently being applied for.
- If the owner or an owner of the business owns multiple businesses in Shawnee County, none of the other business(es) can have received an Small Business Incentive within the last three years.
- A business cannot receive both a Small Business Incentive and a traditional business incentive from GO Topeka in the same year.
- None of the owners can currently be incarcerated, on parole or probation.

(Continue to next page for types of businesses that are not eligible)

## Types of Businesses that are Not Eligible:

- Businesses owned by employees of the Greater Topeka Partnership
- Non-profits and businesses dependent on charitable contributions
- > Churches, religious institutions, or businesses promoting a religion
- > Businesses that are pyramid or multi-level marketing businesses(e.g., multi-level cosmetic companies)
- Passive income businesses (e.g., property management, Airbnb host, affiliate marketing)
- Marketing cooperatives
- Franchises in which the owner compensation is structured strictly as an employee rather than the owner receiving a share of the profits commensurate with ownership.
- Speculative businesses (e.g., real estate investment, cryptocurrency investment, coin dealers)
- Businesses that are prurient in nature (e.g., gentleman's club)
- Business involved in illegal activities

Final determination of eligibility lies with the Small Business Incentives Applications Review Committee.

## **Ineligible Uses of funds:**

- Reimbursement for payments to another company with a common owner. (Funds cannot be used for reimbursement to a company in which any of its owners is also an owner of the applicant company.)
- Owner salary or compensation
- Employee salary or compensation
- > Expenditures for home-based businesses where the expenditures are home improvements for the benefit of the homeowner or are not 100%- business related
- Personal expenses
- > Expenditures outside of the approved time frame
- > Expenditures that are not preapproved
- > Equipment that has been or will be returned
- Equipment that will be transferred to another location of the business that is outside of Shawnee County
- > Illegal activities or items connected to illegal activities

See specific incentive details for more examples of eligible and ineligible use of funds.

