

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 399  
Committee Substitute Favorable 4/3/19  
Committee Substitute #2 Favorable 5/29/19  
Committee Substitute #3 Favorable 6/4/19

Short Title: Historic Preservation Act of 2019.

(Public)

Sponsors:

Referred to:

March 21, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE THE TAX CREDIT FOR REHABILITATING  
3 INCOME-PRODUCING HISTORIC STRUCTURES, TO ALLOW A TAX CREDIT FOR  
4 THE REHABILITATION OF BUILDINGS IN DISASTER AREAS, AND TO DELAY  
5 THE SUNSET OF THE TAX CREDITS FOR HISTORIC REHABILITATION.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 105-129.105 reads as rewritten:

8 "Article 3L.

9 "Historic Rehabilitation Tax Credits Investment Program.

10 "§ 105-129.105. Credit for rehabilitating income-producing historic structure.

11 (a) Credit. – A taxpayer who is allowed a federal income tax credit under section 47 of  
12 the Code for making qualified rehabilitation expenditures for a certified historic structure located  
13 in this State is allowed a credit equal to the sum of the following:

14 (1) Base amount. – The percentage of qualified rehabilitation expenditures at the  
15 levels provided in the table below:

16 Expenses	Up To	Rate
17 Over		
18 0	\$10-\$15 million	15.00%
19 \$10-\$15 million	\$20-\$25 million	10.00%

20 (2) Development tier bonus. – An amount equal to five percent (5%) of qualified  
21 rehabilitation expenditures not exceeding ~~twenty~~ twenty-five million dollars  
22 ~~(\$20,000,000)~~ (\$25,000,000) if the certified historic structure is located in a  
23 development tier one or two area.

24 (3) Targeted investment bonus. – An amount equal to five percent (5%) of  
25 qualified rehabilitation expenditures not exceeding ~~twenty~~ twenty-five million  
26 dollars ~~(\$20,000,000)~~ (\$25,000,000) if the certified historic structure is  
27 located on an eligible targeted investment site.

28 (4) Disaster relief bonus. – An amount equal to five percent (5%) of qualified  
29 rehabilitation expenses not exceeding twenty-five million dollars  
30 (\$25,000,000) if all of the following requirements are met:

31 a. The certified historic structure is located in a disaster area.

32 b. The qualified rehabilitation expenditure is incurred no more than five  
33 years after the gubernatorial disaster declaration that resulted in the  
34 area being declared a disaster area.



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...  
(c) Definitions. – The following definitions apply in this section:

...  
(2a) Disaster area. – Any county that is the subject of a Type II or Type III gubernatorial disaster declaration, as provided in G.S. 166A-19.21, as a result of a natural disaster.

...."  
**SECTION 2.** G.S. 105-129.110 reads as rewritten:

**"§ 105-129.110. Sunset.**

This Article expires for qualified rehabilitation expenditures and rehabilitation expenses incurred on or after ~~January 1, 2020~~ January 1, 2024. For qualified rehabilitation expenditures and rehabilitation expenses incurred prior to ~~January 1, 2020~~ January 1, 2024, this Article expires for property not placed in service by ~~January 1, 2028~~ January 1, 2032."

**SECTION 3.** This act shall be known and cited as the "Historic Preservation Act of 2019."

**SECTION 4.** Section 1 of this act is effective for taxable years beginning on or after January 1, 2020. The remainder of this act is effective when it becomes law.