



The NEW NC Historic Preservation Tax Credits

The Basics

INCOME PRODUCING - Continues to piggyback onto the Federal credit.

- Former regular historic credits and enhanced Mill credits combined.
- Tiered base credit –
15% up to \$10 million of QREs, 10% from \$10 million to \$20 million, no credit above \$20 million.
- Bonus credits - 5% Development Tier Bonus for projects in Tier 1 or 2 county.
5% Targeted Investment – manufacturing or agricultural related at least 65% vacant for two years preceding eligibility certification.
- Maximum credit \$4,500,000, based on a \$20 million project of a vacant mill in distressed county.
- Mandatory five year carryforward eliminated. Credit may be taken in year structure placed in service and carried forward for nine years.
- New credit effective January 1, 2016, sunsets January 1, 2020.
- Eligibility certification for projects certified under the previous Mill program expire January 1, 2023.
- Fee schedule to be determined, no greater than 1% of QREs.

NON-INCOME PRODUCING - Homeowner credits.

- Property must be National Register listed or be contributing to a NR listed Historic District.
- Credit 15% of eligible rehabilitation expenses.
- Project threshold reduced to \$10,000 of rehabilitation expenses.
- Project cap limits eligible rehabilitation expenses to \$150,000 - maximum credit is \$22,500.
- Eligible rehabilitation expenses must be incurred within any 24 month period.
- Mandatory five year carryforward eliminated. Credit may be taken in year structure placed in service and carried forward for nine years.
- Credits may be transferred with property so long as transfer of property occurs before it is placed in service.
- Taxpayer is allowed to claim credits for a rehabilitation once every five years.
- New credit effective January 1, 2016, sunsets January 1, 2020.
- Fee schedule to be determined, no greater than 1% of rehabilitation expenses.