

INVESTMENT TAX CREDIT PROGRAMS

FINANCIAL INCENTIVES FOR HISTORIC PRESERVATION PROJECTS

THROUGH LOCAL, STATEWIDE AND NATIONWIDE PARTNERSHIPS, HISTORIC PRESERVATION CONTINUES TO BE A KEY TOOL FOR ECONOMIC DEVELOPMENT AND IMPROVING AND ENRICHING COMMUNITY LIFE ACROSS THE STATE.

The New York State Historic Preservation Office (SHPO) is part of the Division for Historic Preservation in the Office of Parks, Recreation and Historic Preservation.

The SHPO helps preserve the state's heritage through a variety of public programs authorized under the State and National Historic Preservation Acts. These include federal historic rehabilitation tax incentives, State and National Registers of Historic Places, Certified Local Government (CLG) Program, historic resources surveys, grants, environmental review, archeology, and education.

Historic preservation tax credit programs can help offset the cost of rehabilitating historic buildings listed on the National Register of Historic Places. (Buildings can be listed during or after the rehabilitation project.) The SHPO can assist you with getting one or more of the five historic preservation tax credits. A preservation tax credit is a percentage of rehabilitation expenditures subtracted from the amount of state and federal income taxes owed. (Under the NYS program, this can be a tax refund.) It is very important that you contact SHPO before plans are drawn and especially before any construction work begins.

To begin the process, contact the SHPO office at 518-237-8643, or visit: www.nysparks.state.ny.us/shpo/state/map.htm.

In August 2010, the NYS Legislature made changes to the tax credits. Visit our website for information on updates to the program: www.nysparks.state.ny.us/shpo/

20% Federal Investment Tax Credit (ITC) Programs *

The Tax Reform Act of 1986 allows a 20% tax credit for the rehabilitation of historic buildings. Owners of historic commercial, office, industrial or rental residential buildings may be eligible for a 20% federal income tax credit for substantial rehabilitation projects. The final dollar amount is based on the cost of the rehabilitation; in effect 20% of the qualifying rehabilitation costs will be borne by the federal government. Buildings must be:

- Income-producing, and
- Individually listed on the State or National Register of Historic Places, or a contributing building in a historic district that is listed on the National Register of Historic Places or certified by the National Park Service.

The preservation credit can be used in conjunction with other state and federal rehabilitation grants for housing or facade work such as the Low Income Housing Tax Credits. (Note: The final credit amount will be reduced when these additional sources are combined.)

For more information: www.nps.gov/history/hps/tps/tax/brochure1.htm#10_20

20% New York State Historic Tax Credit Program for Income Producing Properties *

Projects qualifying for the 20% Federal Historic Preservation Tax Incentive Program are automatically eligible for this credit. Owners can receive 20% of the qualified rehabilitation costs, up to a credit value of \$5,000,000. For more information, see: www.nysparks.com/shpo/investment/income.htm.

Continued



Above: The former C.W. Snow Warehouse in Syracuse was an under-used industrial building before being adapted for commercial space and 48 loft apartments with the help of investment tax credits.

Below: The former Nurses' Residence at Sea View Hospital on Staten Island used a variety of funding sources, including investment tax credits, to adapt the complex for affordable senior housing.



DIVISION FOR HISTORIC PRESERVATION
NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION
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Both the ITC and Low Income Housing tax credits were used for the remarkable transformation of 24 brick townhouses in Albany. The buildings had been subdivided and neglected until the entire row was threatened with demolition. Staff helped to list these properties on the National Register so that they would qualify for tax credit programs.



Above: Financial assistance from investment tax credits helped owners to undertake substantial exterior repairs on this 1941 New York City apartment building.

Below: This commercial and residential building in Newburgh was a burned out shell before it was rescued with the help of the federal historic rehabilitation tax credit program.

Below right: The Philipsburgh Hall tax credit project in Yonkers included the restoration of the ballroom.



10% Federal Tax Credit

A 10% federal income tax credit is available for the rehabilitation of non-historic buildings for non-residential use. Buildings must be:

- Income-producing, and
- Not listed in the National Register, or not listed as a contributing building in a National Register Historic District, and
- First placed in service before 1936.

For more information: www.nps.gov/history/hps/tps/tax/brochure1.htm#10.

New York State Historic Homeownership Rehabilitation Tax Credit *

Buildings must be located in a census tract designated as economically "distressed." Qualified rehabilitation costs must exceed \$5,000. The credit will cover 20% of qualified rehabilitation costs up to a limit of \$50,000. Houses must also be:

- Owner-occupied structures, and
- Individually listed on the State or National Register of Historic Places, or a contributing building in an historic district that is listed in the State or National Register of Historic Places.

SHPO staff can help with further information about eligible census tracts and the program in general. See the website listed at the end.

An Equal Opportunity/Affirmative Action Agency

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New York State Barn Tax Credit

The income tax credit is equal to 25% of the cost of rehabilitating historic barns. Work cannot "materially alter the historic appearance" of the barn which must be:

- Income-producing for agricultural purposes, and
- Placed in service before 1936.

For more information about barn credits, contact the NYS Department of Taxation and Finance at 800-225-5829.



Note: For programs marked "*" work performed must meet Secretary of Interior Standards, and must be approved by the SHPO and/or the National Park Service.

FOR MORE INFORMATION

National Register of Historic Places: www.nysparks.com/shpo/register/

Publications about technical preservation issues: www.nps.gov/history/hps/tps/topics/index.htm

Federal Tax credit programs: www.nps.gov/history/hps/tps/tax/index.htm

Applications and whether a property qualifies: www.nysparks.com/shpo/tax-credit-programs/

**Tax Credit Programs
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