

National Trust for Historic Preservation



**Saving America's
Historic Sites**

**Telling the Full
American Story**

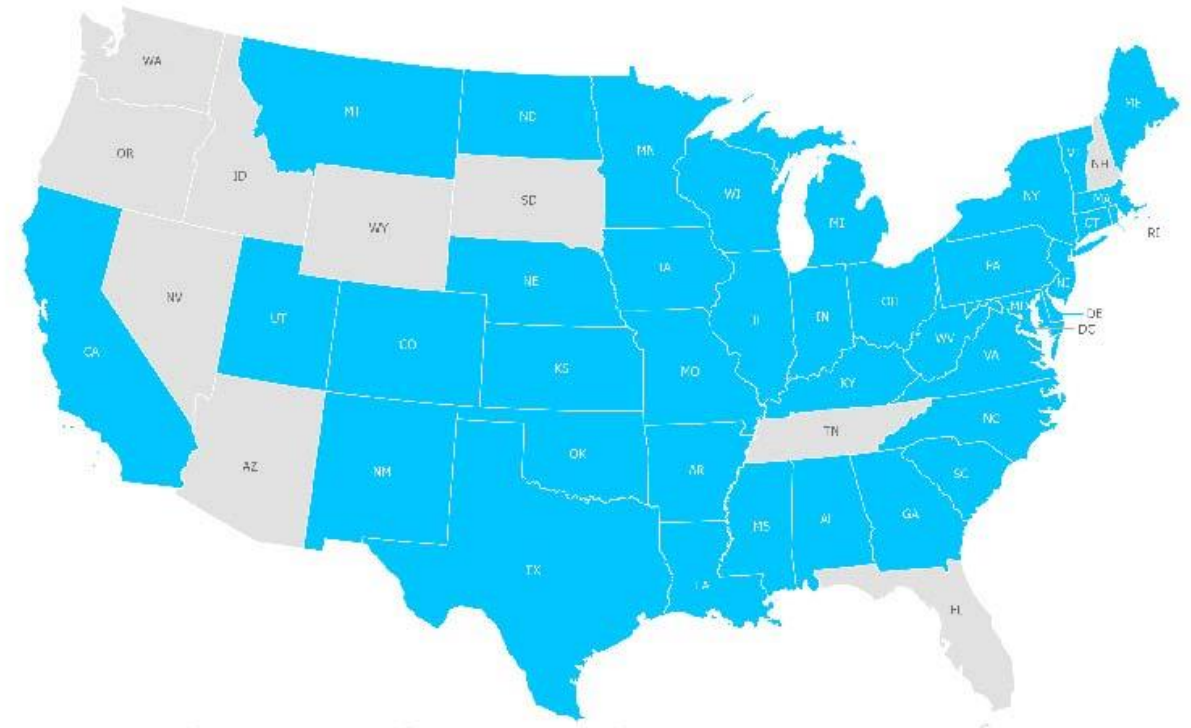
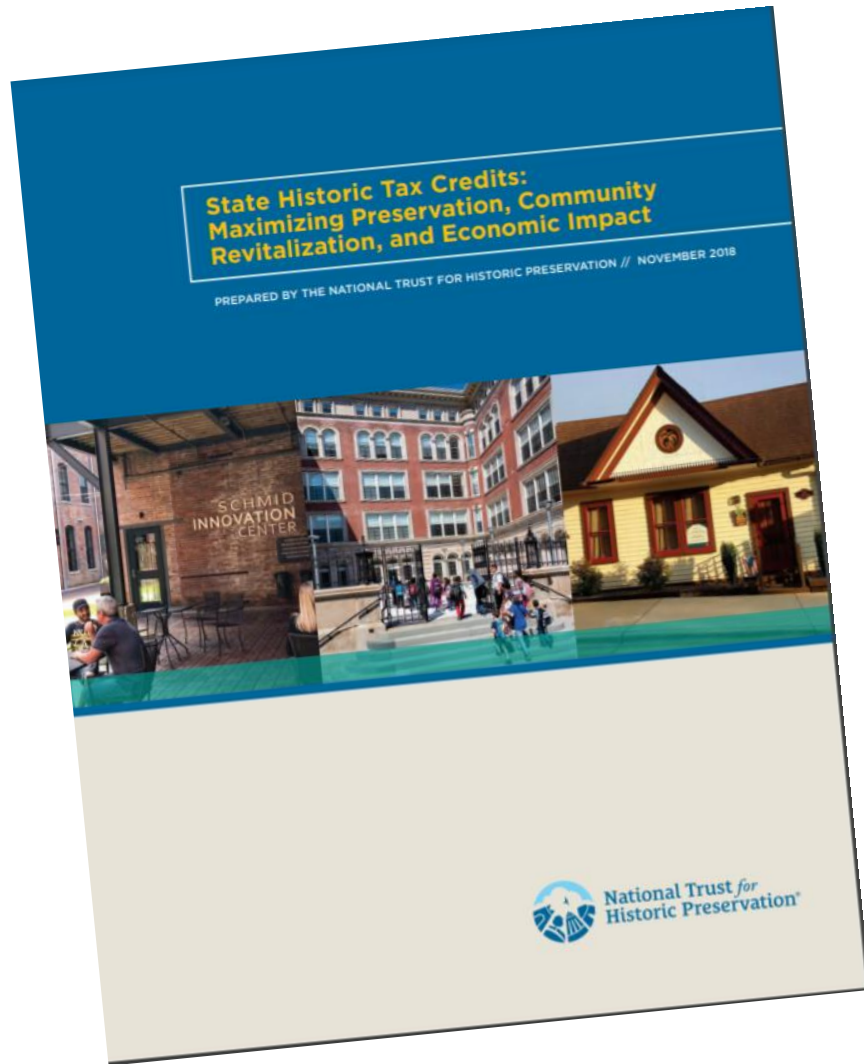
**Building Stronger
Communities**

**Building the Capacity of
the Preservation Field**

New Salem Baptist Church, Tams, West Virginia
Photo: WV State Historic Preservation Office

39 States Offer Historic Rehabilitation Tax Credits

www.forum.savingplaces.org/state-htc



State Historic Tax Credits

- Offers state historic tax credit
- No state historic tax credit

State Tax Credits Increase Rehabs

(measured by federal Historic Tax Credit Projects)



* VA side – 13 rehabbed buildings between 2002-2022 with \$74M in qualified rehabilitation expenditures (QRE)

* TN side - 3 rehabbed buildings between 2002-2020 with \$10M in qualified rehabilitation expenditures (QRE).

Historic Tax Credits Fill Critical Financing Gap

Borrow less for a \$1,500,000 renovation
30 year mortgage, 7% interest

Monthly Mortgage Payment	\$7,984 – no federal HTC
Monthly Mortgage Payment	\$6,487 – with federal HTC
Monthly Mortgage Payment	\$4,823 – with federal & STATE Historic Tax Credits



Only Receive State's Investment when work is Complete
Maggy's Place, Elkin Main Street, North Carolina

Pays Back State's Investment During Construction



- \$0.33 - \$0.40 cents for every \$1 invested
- Collected through taxes on labor and materials



Pays Back Remainder of State's Investment Once Occupied

Grand opening of the Robinson Grand Performing Arts Center, Clarksburg, West Virginia.

What Makes State HTC Programs Most Productive?

Credits that are **easily transferable**

Tailor credits to **address state priorities** (e.g., Ohio, South Carolina)

Funding **Predictability** is key to a truly effective incentive

Adequate fees to support SHPO staff review

If capped, deadlines help get unused **credits re-allocated**

Expand who can claim the credits (e.g., Texas)

Maximize the different taxes a state HTC may offset (e.g., business franchise)

Include **performance evaluation** (e.g., Maine)

Getting Credits to Rural Areas

- Increase % in rural counties or in Main Street communities (bills proposed in TN/FL)
- Reserve credits for specific areas and release if not used by certain date



Before



After

**Odd Fellows Hall(1890)
New Castle, Colorado**

Encouraging Affordable and Workforce Housing

- **Add a Bonus**
 - (e.g., 33% in Maine)
- **Set Aside Funding**
 - (e.g., 40% of the credits in Massachusetts)
- **Prioritize during decision-making**
 - (e.g., Ohio's application process)

**Motherhouse Apartments (1906)
Portland, Maine**



Winston-Salem, North Carolina – A State HTC Success Story



Mast General Store Opening



Wake Forest BioTech Place

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