

# HTCs

## Historic Tax Credits



- ▶ Income tax credit for investment in historic buildings
- ▶ National Register listed buildings or districts
- ▶ Income producing (rental) property
- ▶ Residential and commercial uses eligible
- ▶ Credits received upon construction completion
- ▶ Credits can be used against income tax or sold
- ▶ 20 Year carry-forward on credits

**State Credit = 25%**

of qualified construction costs.  
Competitive application.

**Federal Credit = 20%**

of qualified construction costs.  
Non-Competitive application.

### Example:

$$\begin{array}{l} \$300,000 \\ \text{total construction cost} \end{array} \times \begin{array}{l} 25\% \\ \text{state credit} \\ 20\% \\ \text{federal credit} \end{array} \begin{array}{l} \triangleright \$75,000 \\ \triangleright \$60,000 \end{array} = \textcircled{\begin{array}{l} \$135,000 \\ \text{Total Credit} \end{array}}$$