

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 399  
Committee Substitute Favorable 4/3/19

Short Title: Historic Preservation Act of 2019.

(Public)

Sponsors:

Referred to:

March 21, 2019

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE TAX CREDIT FOR REHABILITATING  
INCOME-PRODUCING HISTORIC STRUCTURES, TO ALLOW A TAX CREDIT FOR  
THE REHABILITATION OF BUILDINGS IN DISASTER AREAS, AND TO DELAY  
THE SUNSET OF THE TAX CREDITS FOR HISTORIC REHABILITATION FOR TEN  
YEARS.

The General Assembly of North Carolina enacts:

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

"Article 3L.

"Historic Rehabilitation Tax Credits Investment Program.

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

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

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

**Expenses**

**Over**

**Up To**

**Rate**

0

\$10-\$15 million

15.00%

\$10-\$15 million

\$20-\$25 million

10.00%

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

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

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

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

b. The qualified rehabilitation expenditure is incurred no more than five years after the onset of the natural disaster resulting in the area being declared a disaster area.

...



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

2 ...

3 (2a) Disaster area. – Any county that is the subject of a Type II or Type III  
4 gubernatorial disaster declaration, as provided in G.S. 166A-19.21, as a result  
5 of a natural disaster.

6 ...."

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

8 "**§ 105-129.110. Sunset.**

9 This Article expires for qualified rehabilitation expenditures and rehabilitation expenses  
10 incurred on or after January 1, ~~2020~~-2030. For qualified rehabilitation expenditures and  
11 rehabilitation expenses incurred prior to January 1, ~~2020~~-2030, this Article expires for property  
12 not placed in service by January 1, ~~2028~~-2038."

13 **SECTION 3.** This act shall be known and cited as the "Historic Preservation Act of  
14 2019."

15 **SECTION 4.** Section 1 of this act is effective for taxable years beginning on or after  
16 January 1, 2019. The remainder of this act is effective when it becomes law.