

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 399
Committee Substitute Favorable 4/3/19
Committee Substitute #2 Favorable 5/29/19

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.

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.~~ January 1, 2024. For qualified rehabilitation expenditures
11 and rehabilitation expenses incurred prior to ~~January 1, 2020,~~ January 1, 2024, this Article expires
12 for property not placed in service by ~~January 1, 2028.~~ January 1, 2032."

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, 2020. The remainder of this act is effective when it becomes law.