

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 174

Short Title: Historic Properties Tax Credit.

(Public)

Sponsors: Senators Walker; Ballance, Barker, Basnight, Block, Carpenter, Chalk, Cochrane, Daniel, Daughtry, Ezzell, Guy, Hardin, Hunt of Moore, Johnson of Wake, Kincaid, Martin of Pitt, Martin of Guilford, Marvin, Murphy, Odom, Parnell, Plyler, Richardson, Shaw, Sherron, Simpson, Smith, Soles, Speed, Staton, Swain, Taft, Tally, Ward, and Winner.

Referred to: Finance.

February 15, 1989

A BILL TO BE ENTITLED

AN ACT TO CREATE A STATE INCOME TAX CREDIT FOR PRESERVING OR RESTORING HISTORIC PROPERTIES.

The General Assembly of North Carolina enacts:

Section 1. Division II of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

**"§ G.S. 105-151.3. Credit against personal income tax for the preservation or restoration of historic properties.**

(a) A person not a dependent of another individual as allowed as a credit against the tax imposed by this Division, an amount, not exceeding a maximum aggregate of fifteen thousand dollars (\$15,000), equal to ten percent (10%) of the actual cost paid by the taxpayer to restore or preserve a property listed in the North Carolina Register of Historic Places, provided that:

(1) The property is certified by the State Historic Preservation Officer to be of individual historic, architectural, or cultural significance, or to be a contributing building in a historic district; and

(2) The taxpayer submitted a plan and specifications for such restoration or preservation project to the State Historic Preservation Officer who approved it prior to its commencement; and

1           (3) The preservation or restoration project when completed is certified by  
2 the State Historic Preservation Officer to preserve and maintain those  
3 qualities that qualified it for listing in the North Carolina Register of  
4 Historic Places; and

5           (4) Upon completion of the project, protective restrictions meeting the  
6 requirements of the North Carolina Historic Conservation and  
7 Preservation Agreements Act shall have been offered to and accepted  
8 by an organization or public instrumentality qualified as tax exempt  
9 under the requirements of the §501(c)(3) of the Federal Internal  
10 Revenue Code.

11       (b) A taxpayer may claim the credit provided in this section for each taxable year  
12 in which the project is carried out, but any unused credit remaining at the end of the  
13 year may be carried forward for an additional four years. The total credit for any single  
14 project shall not exceed fifteen thousand dollars (\$15,000).

15       (c) Rules providing for the implementation of this section shall be promulgated  
16 within one year after the date of the ratification of this act by the Department of  
17 Revenue and the North Carolina Historical Commission, as appropriate, in accordance  
18 with the North Carolina Administrative Procedure Act."

19       Sec. 2. Division I of Article 4 of Chapter 105 of the General Statutes is  
20 amended by adding a new section to read:

21 **"§ G.S. 105-131. Credit against corporate income tax for the preservation or**  
22 **restoration of historic properties.**

23       (a) Any corporation shall be allowed as a credit against the tax imposed by this  
24 Division, an amount, not exceeding a maximum aggregate of fifteen thousand dollars  
25 (\$15,000), equal to ten percent (10%) of the actual cost paid by the taxpayer to restore  
26 or preserve a property listed in the North Carolina Register of Historic Places, provided  
27 that:

28           (1) The property is certified by the State Historic Preservation Officer to  
29 be of individual historic, architectural, or cultural significance, or to be  
30 a contributing building in a historic district; and

31           (2) The taxpayer submitted a plan and specifications for such restoration  
32 or preservation project to the State Historic Preservation Officer who  
33 approved it prior to its commencement; and

34           (3) The preservation or restoration project when completed is certified by  
35 the State Historic Preservation Officer to preserve and maintain those  
36 qualities that qualified it for listing in the North Carolina Register of  
37 Historic Places; and

38           (4) Upon completion of the project, protective restrictions meeting the  
39 requirements of the North Carolina Historic Conservation and  
40 Preservation Agreements Act shall have been offered to and accepted  
41 by an organization or public instrumentality qualified as tax exempt  
42 under the requirements of the §501(c)(3) of the Federal Internal  
43 Revenue Code.

1       **(b)** Any corporation may claim the credit provided in this section for each taxable  
2 year in which the project is carried out, but any unused credit remaining at the end of  
3 the year may be carried forward for an additional four years. The total credit for any  
4 single project shall not exceed fifteen thousand dollars (\$15,000).

5       **(c)** Rules providing for the implementation of this section shall be promulgated  
6 within one year after the date of the ratification of this act by the Department of  
7 Revenue and the North Carolina Historical Commission, as appropriate, in accordance  
8 with the North Carolina Administrative Procedure Act."

9               Sec. 3. This act is effective for taxable years beginning on or after January 1,  
10 1989.