

March 3, 2005

**S 352. MILL REHABILITATION TAX CREDIT. TO PROVIDE A TAX CREDIT FOR REVITALIZATION OF HISTORIC MILL FACILITIES AND TO ALLOW TAX CREDITS FOR CERTAIN HISTORIC REHABILITATIONS TO BE TRANSFERRED TO LONG-TERM LESSEES.**

Adds new Article 3H to GS Ch. 105 to provide credit for rehabilitating vacant historic manufacturing sites. Provides that taxpayer who spends at least \$2 million to rehabilitate an eligible site (defined in bill) is allowed credit equal to a percentage (set out in bill) of qualified rehabilitation expenditures (defined in bill) or rehabilitation expenses with respect to an eligible site. Credit percentage varies depending on tier location of site and eligibility for federal credit. Credit may be claimed in year in which eligible site is placed in service. Credit may be claimed against franchise tax, income tax, or gross premiums tax, but may be taken against only one of these taxes. Sets out provisions on cap on credit, allocation of credit among owners, and transfer of credit to long-term lessees. Amends GS 105-129.35 to permit transfer to long-term lessee of credit for rehabilitating an income-producing historic structure. Effective for taxable years beginning on or after January 1, 2006, and applies to eligible sites placed into service on or after that date.

**Intro. by Hoyle.**

Ref. to Finance

GS 105