Short Title: Historic Preservation Act of 2019.
Bill Number: House Bill 399 (Third Edition)
Sponsor(s): Representatives Ross, Bell, Warren, and Adams

SUMMARY TABLE

FISCAL IMPACT OF H.B. 399, V.PCS ($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
<th>FY 2021-22</th>
<th>FY 2022-23</th>
<th>FY 2023-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less Expenditures</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>General Fund Impact</td>
<td>No Estimate Available - Refer to Fiscal Analysis section</td>
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</tbody>
</table>

FISCAL IMPACT SUMMARY

The PCS to House Bill 399 extends the sunset of the Historic Rehabilitation Tax Credit from January 1, 2020 until January 1, 2024. It also expands the credit as follows:

- Increases the amount of expenses eligible for a credit
- Increases the amount of expenses that can qualify for bonus credit
- Adds an additional bonus credit provision for projects located in a disaster area that meet certain conditions.

FISCAL ANALYSIS

The provision to extend the sunset was included in the House budget (H966). It was estimated to reduce revenue collections by $4.5 million per year, based on tax return data showing the reduction in tax collections resulting from the credit. In addition to extending the sunset date, HB 399 includes provisions that expand the credit. The fiscal impact of the expansion will reduce revenue collections by an additional amount above the fiscal impact of extending the credit as it exists under current law. The additional reduction in revenue collections is unknown, and will depend on several factors including the number of qualifying projects, the amount of qualifying expenses associated with each project, and the amount that is eligible for bonus credit.

TECHNICAL CONSIDERATIONS

N/A.
DATA SOURCES
NC Dept. of Revenue

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS
This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION
Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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May 30, 2019

Signed copy located in the NCGA Principal Clerk's Offices