

## Tax Incentive Programs

	<b>Federal Historic Rehabilitation Tax Credit</b>	<b>Louisiana State Commercial Rehabilitation Tax Credit</b>	<b>Louisiana State Residential Rehabilitation Tax Credit</b>
<b>Purpose</b>	Encourages the preservation of historic buildings through incentives to support the rehabilitation of historic and older buildings	Encourages the preservation of historic buildings through incentives to support the rehabilitation of historic and older buildings	Encourages taxpayers to preserve and improve their homes by offering a tax credit on rehabilitation costs.
<b>Eligibility</b>	Income producing property individually listed on the National Register (NR) or a contributing element within a National Register Historic District	Income producing property that is a contributing element within a Downtown Development District or a Cultural District as determined by the Division of Historic Preservation, at least 50 years old	An owner occupied building that is a contributing element to a NR District, a locally designated historic district, a Main Street District, a Cultural District, or a DDD; a residential structure that is listed or is eligible for listing in the NR; or a vacant and blighted building at least 50 years old
<b>% of Credit</b>	20% of Qualified Rehabilitation Expenditures	25% of Qualified Rehabilitation Expenditures. To be reduced to 20% after December 31st, 2017	18.5% of Qualified Rehabilitation Expenditures; 36% for Vacant and Blighted Buildings
<b>Minimum Expenditure</b>	Rehabilitation must exceed adjusted basis of building. If adjusted basis is less than \$5,000, the rehabilitation must be at least \$5,000.	\$10,000	\$10,000
<b>Credit Cap</b>	None	\$5 million per taxpayer per district per year	\$18,500
<b>Application</b>	Submitted to DHP and forwarded to NPS with recommendation. Part 1 certifies the building as historic. Part 2 describes the proposed rehabilitation. Part 3 is final certification of completed work.	Submitted to DHP. Part 1 certifies the building as historic. Part 2 describes the proposed rehabilitation. Part 3 is final certification of completed work.	Submitted to DHP. Part A certifies the building as historic. Part B describes the proposed rehabilitation. Part C is final certification of completed work.
<b>Fees</b>	Initial fee request by NPS of \$250; final fee is scaled to the size of the rehabilitation	Part 2 fee scaled to cost of the rehabilitation, \$250 minimum. Part 3 fee scaled to the cost of the rehabilitation	\$250 with Proposed Rehabilitation Application - B
<b>Program Standards</b>	Secretary of the Interior's Standards for Rehabilitation	Secretary of the Interior's Standards for Rehabilitation	Secretary of the Interior's Standards for Rehabilitation
<b>Taking the Credit</b>	Credit is claimed for the year the project is completed and has received an approved Part 3. Unused credit can be carried back one year and forward for 20 years.	Credit is claimed for the year the project is completed and the building is placed into service. The project must have an approved Part 3. Unused credit may be carried forward for up to 5 years, and/or may be sold or transferred to a third party.	Tax credit is divided into 5 equal portions; the first is used in the taxable year of the completion date, the remaining portions used once a year for the next 4 years. If the full credit for one year cannot be taken, the owner will receive that amount as a refund.
<b>Recapture</b>	If the owner sells the building within 5 years of the rehabilitation, they will lose 20% of the earned credit for each year short of the full 5 years.	None	If the building is sold during the five-year credit period, all unused credit will immediately become void.