GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2019

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HOUSE BILL 399 Committee Substitute Favorable 4/3/19 PROPOSED COMMITTEE SUBSTITUTE H399-PCS30466-TMf-13

Short Title: Historic Preservation Act of 2019.

(Public)

Sponsors:	
Referred to:	

March 21, 2019

1		A BILL TO BE ENTITLE	C			
2	AN ACT T	O INCREASE THE TAX CRED				
3	INCOME-PRODUCING HISTORIC STRUCTURES, TO ALLOW A TAX CREDIT FOR					
4	THE REHABILITATION OF BUILDINGS IN DISASTER AREAS, AND TO DELAY					
5	THE SUNSET OF THE TAX CREDITS FOR HISTORIC REHABILITATION.					
6	The General Assembly of North Carolina enacts:					
7	SECTION 1. G.S. 105-129.105 reads as rewritten:					
8	"Article 3L.					
9	"Historic Rehabilitation Tax Credits Investment Program.					
10	e					
11	(a) Credit. – A taxpayer who is allowed a federal income tax credit under section 47 of					
12	the Code for making qualified rehabilitation expenditures for a certified historic structure located					
13	in this State is allowed a credit equal to the sum of the following:					
14	(1)	Base amount. – The percentage of qualifie	d rehabilitation expenditures at the			
15		levels provided in the table below:	-			
16	Expenses					
17	Over	Up То	Rate			
18	0	\$10-<u>\$</u>15 million	15.00%			
18 19	0 \$10-<u>\$15</u> milli	ion <u>\$20 §25</u> million	10.00%			
19 20		ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ	10.00% al to five percent (5%) of qualified			
19	<u>\$10-\$15</u> milli	ion <u>\$20 §25</u> million	10.00% al to five percent (5%) of qualified			
19 20 21 22	<u>\$10-\$15</u> milli	ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ	10.00% al to five percent (5%) of qualified twenty-twenty-five million dollars			
19 20 21 22 23	\$10-<u>\$15</u> milli (2)	ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ rehabilitation expenditures not exceeding (\$20,000,000) (\$25,000,000) if the certifi development tier one or two area.	10.00% al to five percent (5%) of qualified twenty-twenty-five million dollars ed historic structure is located in a			
19 20 21 22 23 24	<u>\$10-\$15</u> milli	ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ rehabilitation expenditures not exceeding (\$20,000,000)-(\$25,000,000) if the certifi development tier one or two area. Targeted investment bonus. – An amou	10.00% hal to five percent (5%) of qualified twenty-twenty-five million dollars ed historic structure is located in a nt equal to five percent (5%) of			
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19 20 21 22 23 24 25 26 27 28 29	\$ 10 - <u>\$15</u> milli (2) (3)	ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ rehabilitation expenditures not exceeding (\$20,000,000) (\$25,000,000) if the certifi development tier one or two area. Targeted investment bonus. – An amou qualified rehabilitation expenditures not ex dollars (\$20,000,000) -(\$25,000,000) if located on an eligible targeted investment Disaster relief bonus. – An amount equa rehabilitation expenses not exceeding	10.00% al to five percent (5%) of qualified twenty-twenty-five million dollars ed historic structure is located in a nt equal to five percent (5%) of ceeding twenty-twenty-five million the certified historic structure is site. I to five percent (5%) of qualified by twenty-five million dollars			
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19 20 21 22 23 24 25 26 27 28 29 30 31 32 33	\$ 10 - <u>\$15</u> milli (2) (3)	ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ rehabilitation expenditures not exceeding (\$20,000,000)-(\$25,000,000) if the certifi development tier one or two area. Targeted investment bonus. – An amound qualified rehabilitation expenditures not ext dollars (\$20,000,000)-(\$25,000,000) if located on an eligible targeted investment Disaster relief bonus. – An amount equal rehabilitation expenses not exceeding (\$25,000,000) if all of the following require a. The certified historic structure is loc b. The qualified rehabilitation expenses years after the onset of the natural	10.00% al to five percent (5%) of qualified twenty-twenty-five million dollars ed historic structure is located in a ant equal to five percent (5%) of ceeding twenty-twenty-five million the certified historic structure is site. I to five percent (5%) of qualified ag twenty-five million dollars rements are met: ocated in a disaster area.			
19 20 21 22 23 24 25 26 27 28 29 30 31 32	\$ 10 - <u>\$15</u> milli (2) (3)	ion <u>\$20-\$25</u> million Development tier bonus. – An amount equ rehabilitation expenditures not exceeding (\$20,000,000) (\$25,000,000) if the certifi development tier one or two area. Targeted investment bonus. – An amou qualified rehabilitation expenditures not ex dollars (\$20,000,000) -(\$25,000,000) if located on an eligible targeted investment Disaster relief bonus. – An amount equa rehabilitation expenses not exceeding (\$25,000,000) if all of the following requi a. The certified historic structure is lo b. The qualified rehabilitation expense	10.00% al to five percent (5%) of qualified twenty-twenty-five million dollars ed historic structure is located in a nt equal to five percent (5%) of ceeding twenty-twenty-five million the certified historic structure is site. I to five percent (5%) of qualified by twenty-five million dollars rements are met: ocated in a disaster area. diture is incurred no more than five			



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General	Assembly Of North Carolina	Session 2019	
(c) Definitions. – The following definitions apply in this section:			
	(2a) Disaster area. – Any county that is the subject of a Typ	e II or Type III	
	gubernatorial disaster declaration, as provided in G.S. 166A	-19.21, as a result	
	of a natural disaster.		
SECTION 2. G.S. 105-129.110 reads as rewritten:			
"§ 105-129.110. Sunset.			
This	Article expires for qualified rehabilitation expenditures and rehabi	litation expenses	
incurred on or after January 1, 2020. January 1, 2024. For qualified rehabilitation expenditures			
	pilitation expenses incurred prior to January 1, 2020, January 1, 2024, th	-	
	erty not placed in service by January 1, 2028. January 1, 2032."	1	
1 1	SECTION 3. This act shall be known and cited as the "Historic Pr	eservation Act of	
2019."			
	SECTION 4. Section 1 of this act is effective for taxable years beg	inning on or after	
January 1	1, 2020. The remainder of this act is effective when it becomes law.		