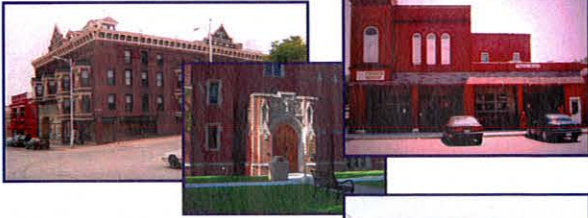


The State Historic Preservation and Cultural & Entertainment District Tax Credit Program provides a state income tax credit for the sensitive rehabilitation of historic buildings. It ensures character-defining features and spaces of buildings are retained and helps revitalize surrounding neighborhoods. The Program provides an income tax credit of 25% of qualified rehabilitation costs.

Another 20% is available if the property is income-producing and qualifies for the Federal Rehabilitation Investment Tax. A separate application is required. See [www.nps.gov/history/hps/tps/tax/brochure1.htm](http://www.nps.gov/history/hps/tps/tax/brochure1.htm).



Historic properties of all shapes and sizes can benefit from the State Tax Credit Program!



For more information, see [www.iowahistory.org/historic-preservation/](http://www.iowahistory.org/historic-preservation/) or contact Elizabeth (Beth) Foster Hill, Tax Incentive Programs Manager/National Register Coordinator, at (515) 281-4137 or [Beth.Foster@iowa.gov](mailto:Beth.Foster@iowa.gov).

## Preservation Projects of Merit

The Preservation Projects of Merit Award recognizes historic preservation projects that exemplify the best of preservation practices, meet the U.S. Secretary of the Interior's *Standards for Rehabilitation of Historic Buildings*, and utilize the State Historic Preservation and Cultural and Entertainment District Tax Credit Program. Eligible projects are those completed in the previous state fiscal year.

The awards featured in this brochure were presented in May 2009 for projects completed in State Fiscal Year 2008.

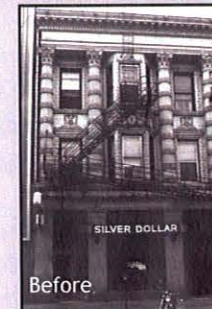


Judith A. McClure Award:  
Albert B. Cummins House, Des Moines



Margaret Keyes Award:  
Antlers Hotel, Spirit Lake

# Iowa Historic Preservation and Cultural & Entertainment District Tax Credit Program



William J. Wagner Award:  
German Bank, Dubuque



Adrian D. Anderson Award:  
R.A. Buck Building,  
State Center





## Eligibility Requirements

Several types of properties are eligible for the state tax credit:

- Properties listed on the National Register of Historic Places, or determined by the staff of the State Historic Preservation Office to be eligible for listing.
- Properties contributing to the significance of a historic district that is listed, or eligible to be listed, on the National Register.
- Properties designated as local landmarks by city or county ordinance.
- Barns constructed prior to 1937 and barns listed in or eligible for listing in the National Register.

Program eligibility depends on the type of building, the assessed value of the building and the amount of rehabilitation proposed:

- For residential properties and barns, the value of the work must equal at least \$25,000 or 25% of the assessed value of the property (excluding the land) before rehabilitation, whichever is lower.
- For commercial properties, including multi-family housing and mixed-use projects, the work must be at least 50% of the assessed value, excluding the land.

As with other State Historical Society of Iowa incentive programs, the work must meet the Secretary of the Interior's *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*. Information on the *Standards and Guidelines* can be found online at [www.nps.gov/history/hps/tps/tax/rehabstandards.htm](http://www.nps.gov/history/hps/tps/tax/rehabstandards.htm).

To find out a building's National Register status or for information about how to nominate a property to the National Register, go to [www.iowahistory.org/historic-preservation/national-register-of-historic-places/](http://www.iowahistory.org/historic-preservation/national-register-of-historic-places/).



## Availability of Funding

The Program includes five funds:

- Small Projects Fund: projects with final qualified rehabilitation costs of \$500,000 or less;
- CED-GP Fund: for projects in state-certified Cultural and Entertainment Districts (CEDs) or identified in Iowa Great Places agreements;
- Disaster Recovery Fund: for projects directly impacted by a disaster declared by the Governor or President;
- New Permanent Jobs Fund: for projects resulting in the creation of more than 500 new permanent jobs; and
- Statewide Fund: for projects statewide.

Legislation mandates tax credits cannot be reserved for more than three years. Due to high demand, Part 2 applications for all but the Small Projects Fund are received each year during the first ten business days in July. Applications for the Small Projects Fund are accepted year-round until the available credits are reserved.

## Other considerations

- Credits are reserved using a sequencing and prioritization system.
- Only qualified rehabilitation costs for two years prior to project completion are used to calculate the state tax credit.
- Rehabilitation expenditures prior to the Part 2 approval date are incurred at your own risk and must be considered qualified expenditures under the federal rehabilitation credit in Section 47 of the Internal Revenue Code.
- Projects must start before the end of the state fiscal year (June 30) in which the Part 2 was approved and finish within three years of the Part 2 approval date.
- Applications are not considered submitted until complete information is received. If more information is requested, the application is put on hold until the information is received.
- When a project is completed, a Part 3 application must be submitted. After the Part 3 is reviewed and approved, the applicant will receive a tax certificate to attach to the state income tax form in the year the credits are reserved.
- If final project costs exceed the estimated cost provided on the Part 2 application, additional credits may be reserved in the next state fiscal year for which credits are available.
- Credits issued under this program in excess of the tax liability are refundable. In lieu of claiming a refund, a taxpayer may elect to have the overpayment credited to the tax liability for the following year.