

Homeowner's Tax Credit program

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HISTORICAL
SOCIETY



What is a Tax Credit?

- A tax credit differs from a tax deduction. A tax deduction lowers the amount of income subject to taxation.
- A tax credit lowers the amount of tax owed. A dollar of tax credit reduces the amount of income tax owed by one dollar.
- The state income tax credit equals 25% of the eligible amount spent in a approved rehabilitation of a historic structure

HISTORIC HOMEOWNERS TAX CREDIT

At a glance:

- 25% State Income Tax Credit
- Approximately 275 projects per year state-wide
- Annually, \$6 million in rehabilitation work eligible for the credit
- Since 1992, 2500 projects resulting in more than \$63 million in rehabilitation work eligible for the credit

In contrast to the program for income-producing properties, the historic homeowners credit usually involves modest, residential scale properties.

Before-and-after photos usually show minimal changes to the property. This is the way the program was designed to operate.





One additional benefit: if a historic house is determined eligible for this program, and if the property contains an outbuilding, such as a barn, that contributes to the property's significance, it can also qualify for the credit.

HISTORIC HOMEOWNERS TAX CREDIT

- Property must be historic
- Must be owner-occupied residence and non-income producing
- Minimum investment
- Eligible work is limited
- Must comply with Secretary of the Interior's Standards
- Must submit formal application
- 5-year recapture
- Pre-approval is required

HISTORIC HOMEOWNERS TAX CREDIT

- Property must be historic
 - Listed individually in National Register (NR) or State Register (SR)
 - Determined contributing to a NR or SR district
 - May receive preliminary certification - if determined eligible for SR - no requirement that it be listed later.
- Must be owner-occupied residence and non-income-producing
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HISTORIC HOMEOWNERS TAX CREDIT

- Property must be historic
- Must be owner-occupied residence and non-income-producing
- **Minimum investment**
 - **Must spend at least \$10,000**
 - **On eligible work**
 - **Within a 2-year period (may be as long as 5 years if you phase the project when you first apply)**
- Eligible work is limited
- Must comply with Secretary of the Interior's Standards
- Must submit formal application
- 5-year recapture
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HISTORIC HOMEOWNERS TAX CREDIT

- Property must be historic
- Must be owner-occupied residence and non-income-producing
- Minimum investment
- Eligible work is limited
 - Work on house's exterior
 - Electrical systems
 - Plumbing systems
 - Mechanical systems (heating, a/c, etc.)
 - Interior structural repairs
- Must comply with Secretary of the Interior's Standards
- Must submit formal application
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- **Must submit formal application**
before the project begins:
 - **Part 1**: certifies that property is historic
 - **Part 2**: certifies that work is sympatheticafter project is completed:
 - **Request for Certification of Completed Work**: certifies that work was carried out as specified in Part 2 application

- 5-year recapture
- Pre-approval is required

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- **5-Year Recapture**

Prorated recapture of credit if you:

- sell the building or
 - diminish its historical significance
-
- Pre-approval is required

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- 5-year recapture

- Pre-approval is required

Work carried out before the project is approved is not eligible for the credit

Interpreting the Standards

- The greatest thing about the standards is they are interpretable
- The worst thing about the standards is they are interpretable
- It is best to develop an understanding on the philosophy of how the standards are interpreted rather than memorizing the actual standards themselves

Integrity versus Identity

- Integrity is more important than identity because integrity is required to be listed on the National Register of Historic Places.

Historic Identity

Characteristics and elements that define the place and convey the sense of place of a particular style or genre of architecture



Historic Integrity

- The authenticity of a property's historic identity, evidenced by the survival of physical characteristics that existed during the properties prehistoric or historic period.
- Not only must a property resemble its historic appearance, but it must also retain physical materials, design features, and aspects of construction dating from the period when it attained significance.



ASPHALT SHINGLES



Standard 3-Tab Shingle

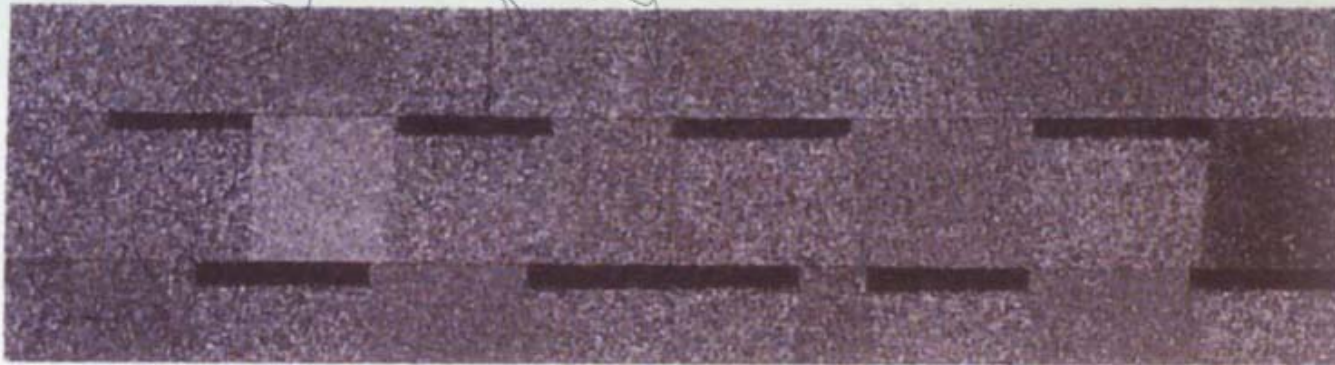


“Dimensional” Shingle









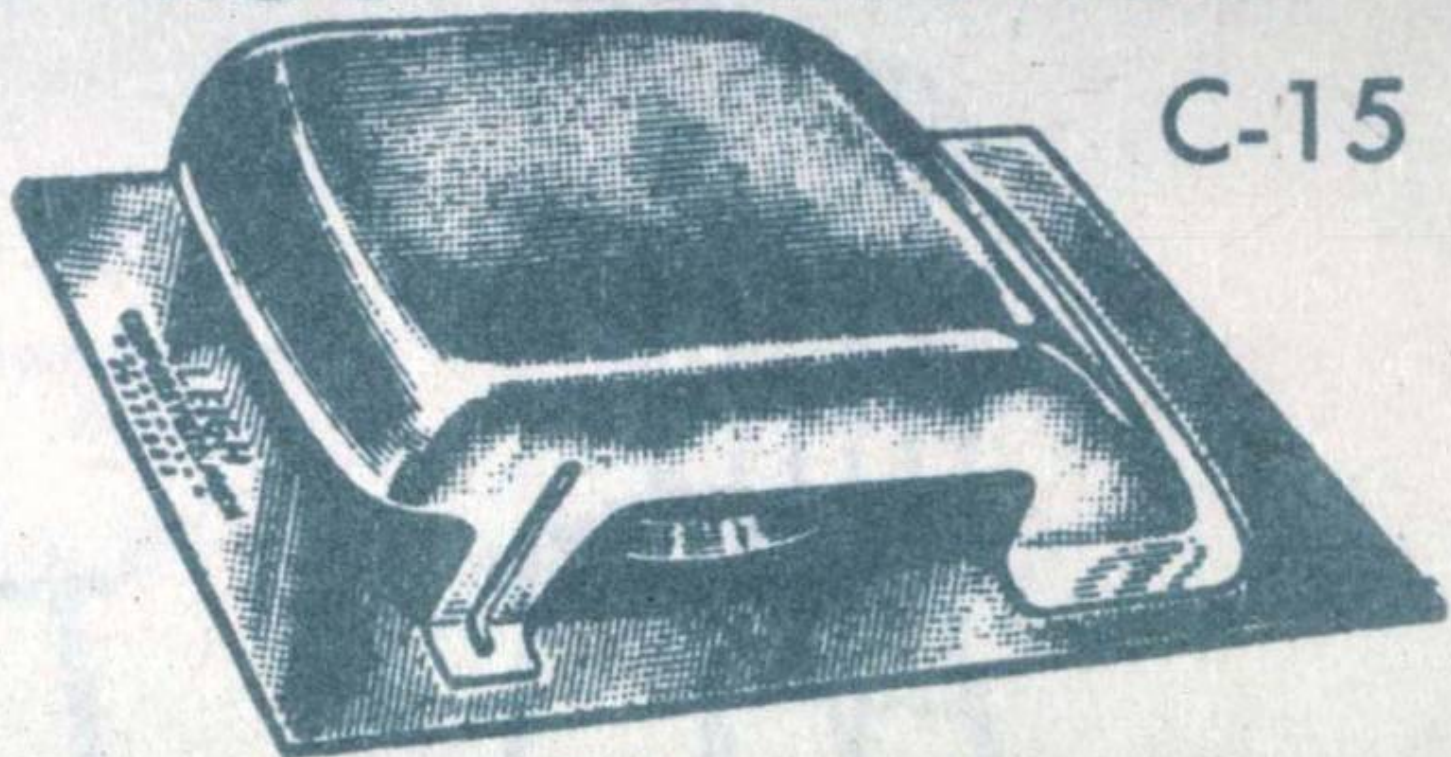
Shingle sample as printed in catalog



Completed roof project



ROOF VENTILATOR



C-15

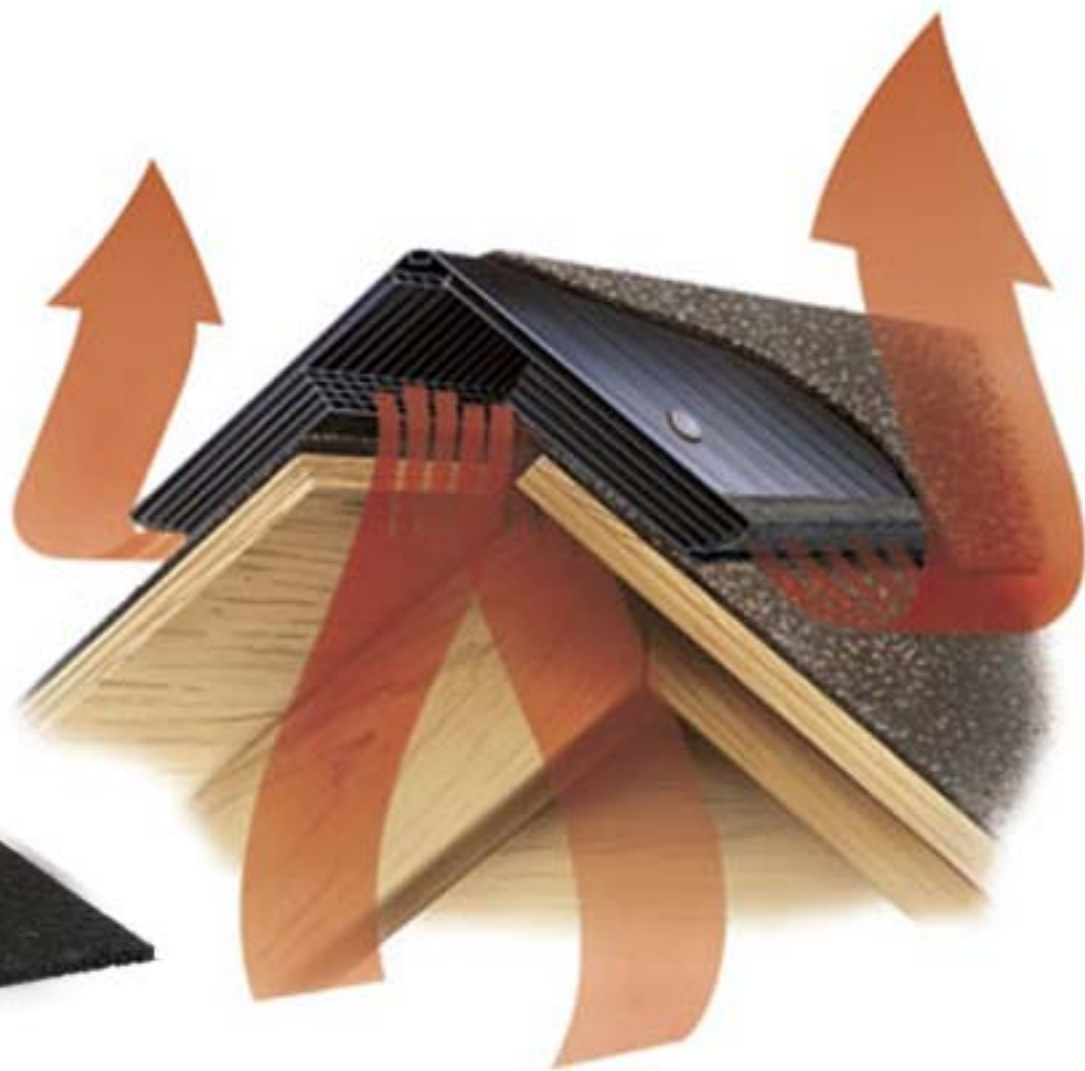
40 sq. in. #405 Aluminum \$5.49 ea.
61 sq. in. Plastic 4.40 ea.



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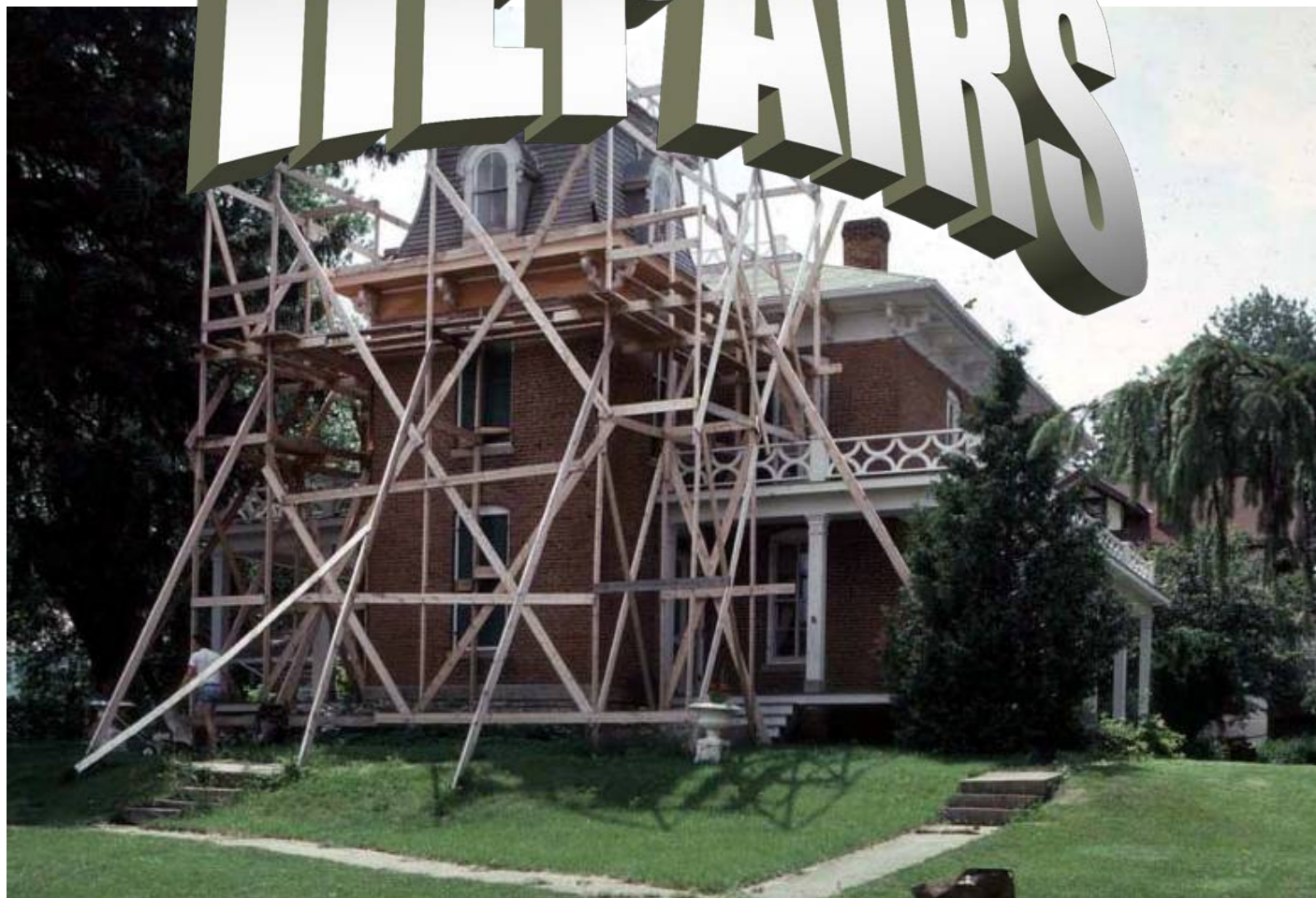








REPAIRS





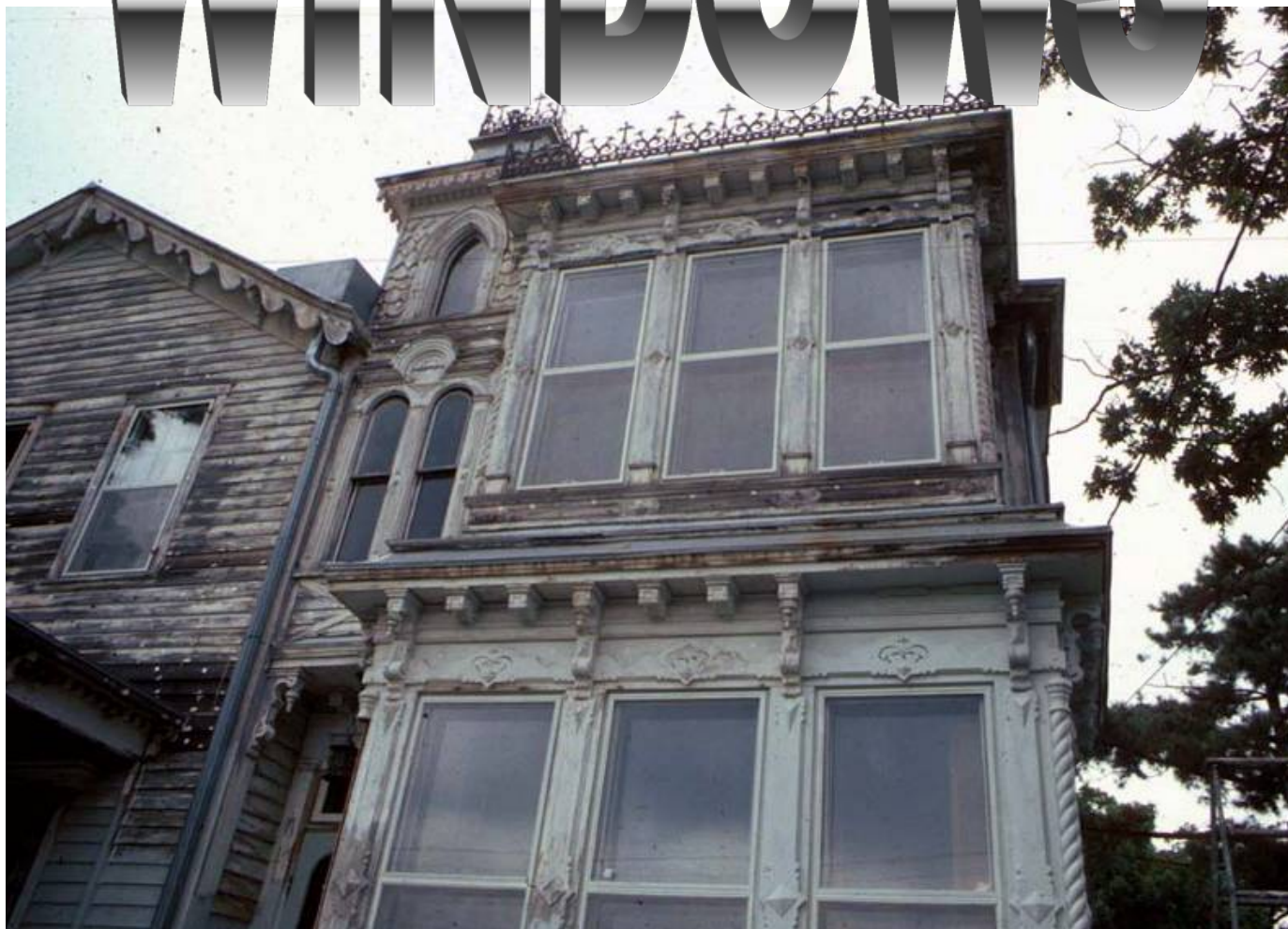




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WINDOWS





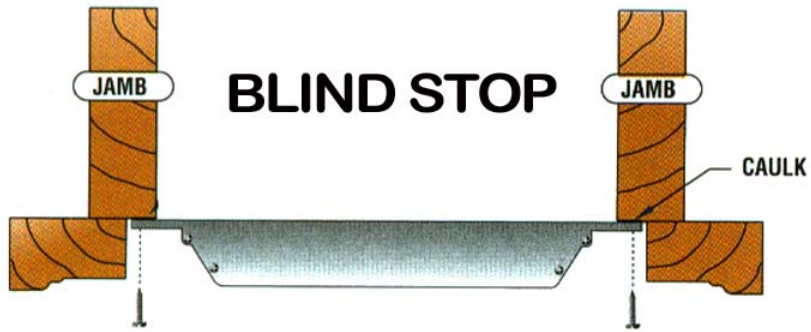
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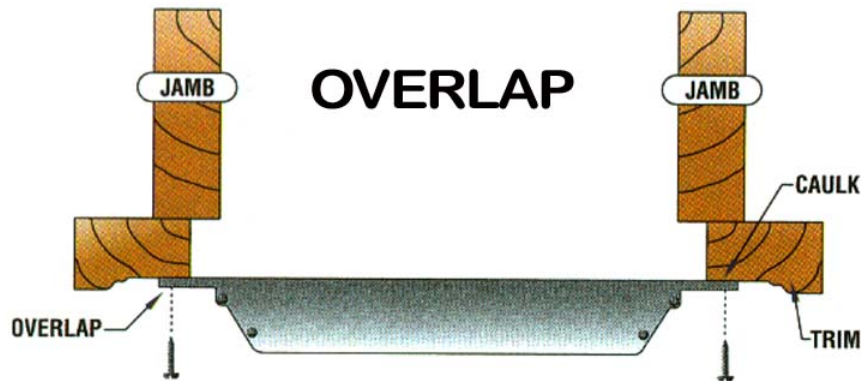




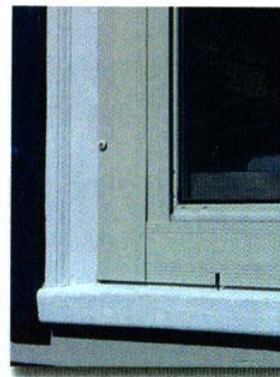
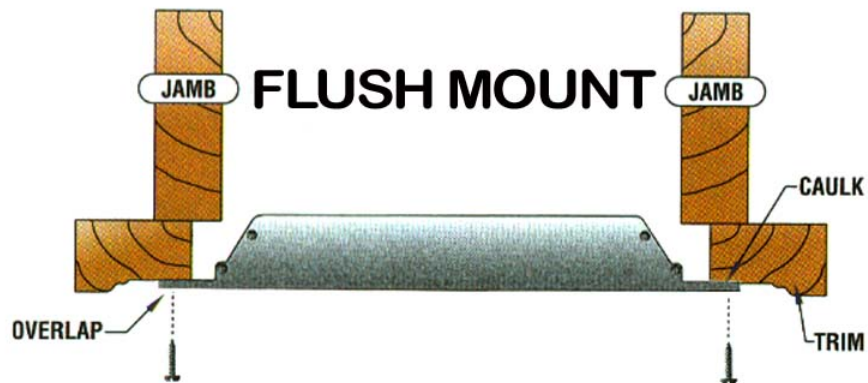




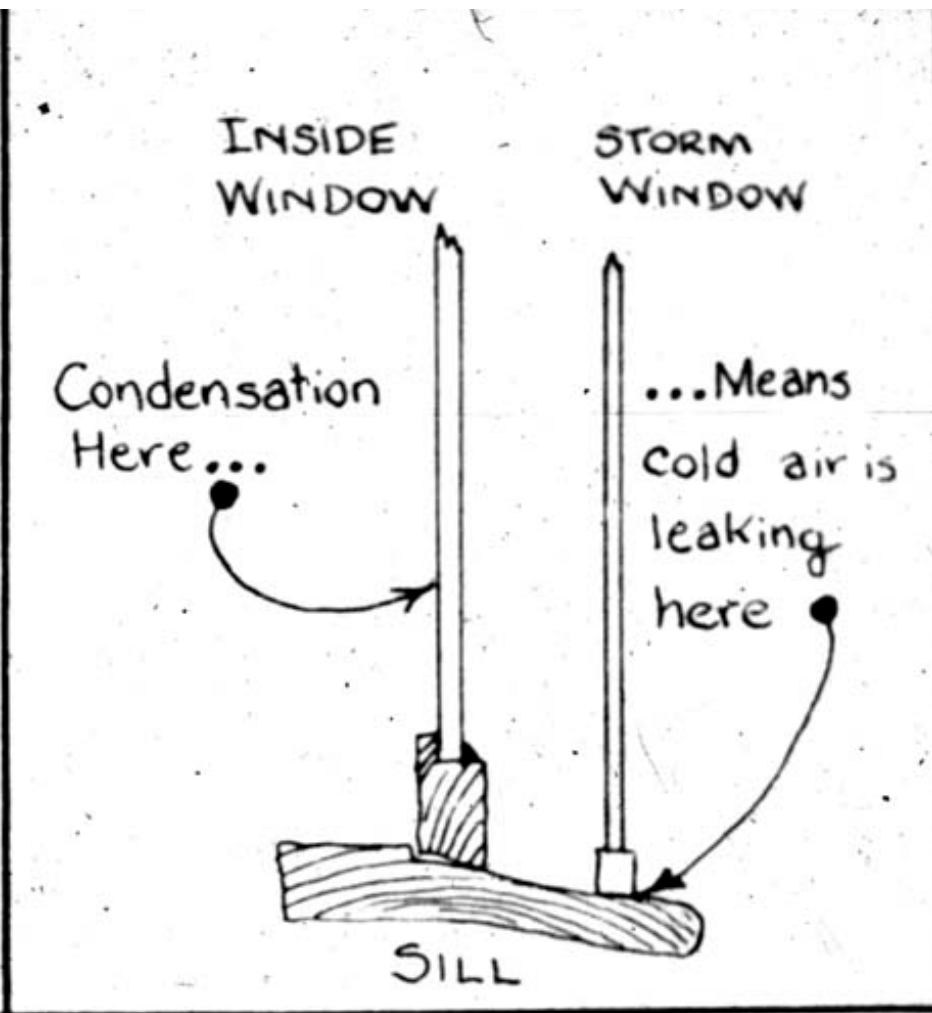
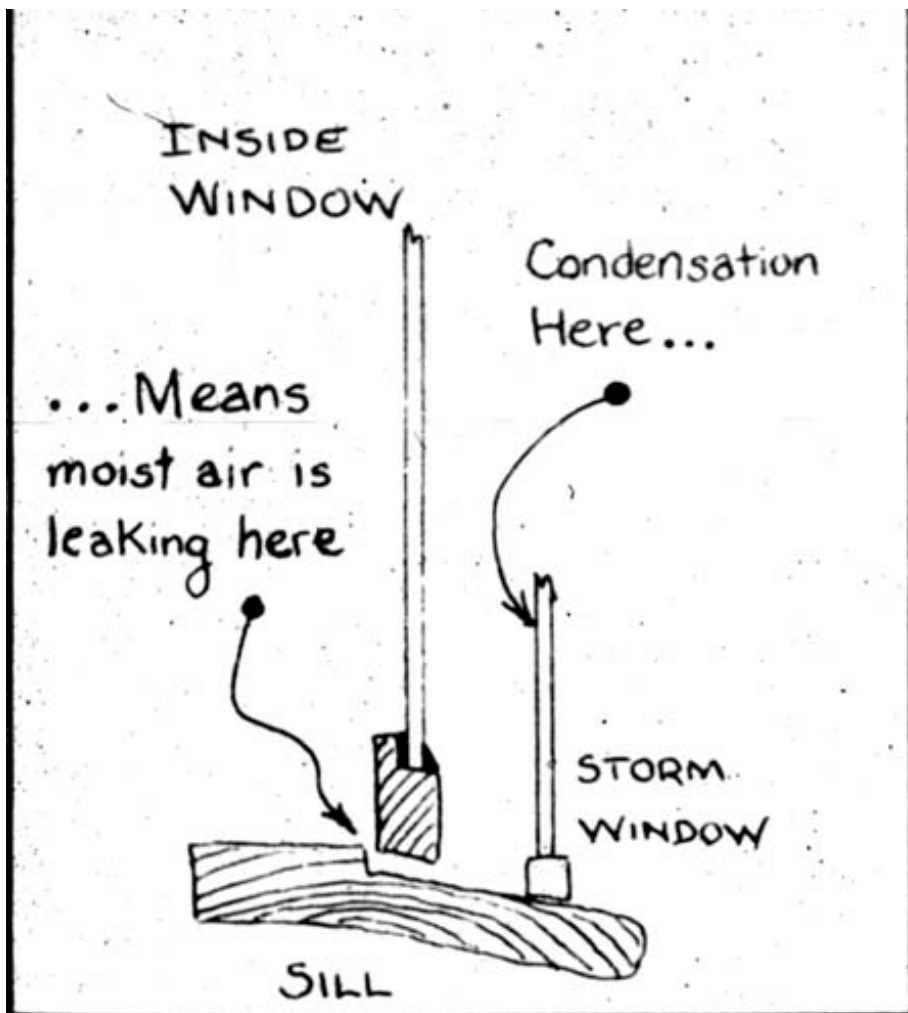
BLINDSTOP



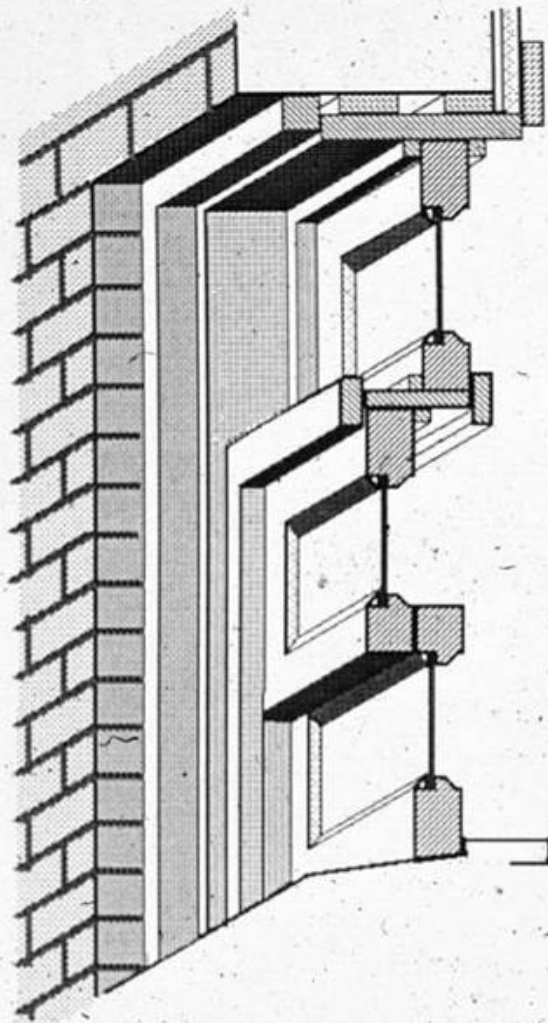
OVERLAP



FLUSH MOUNT

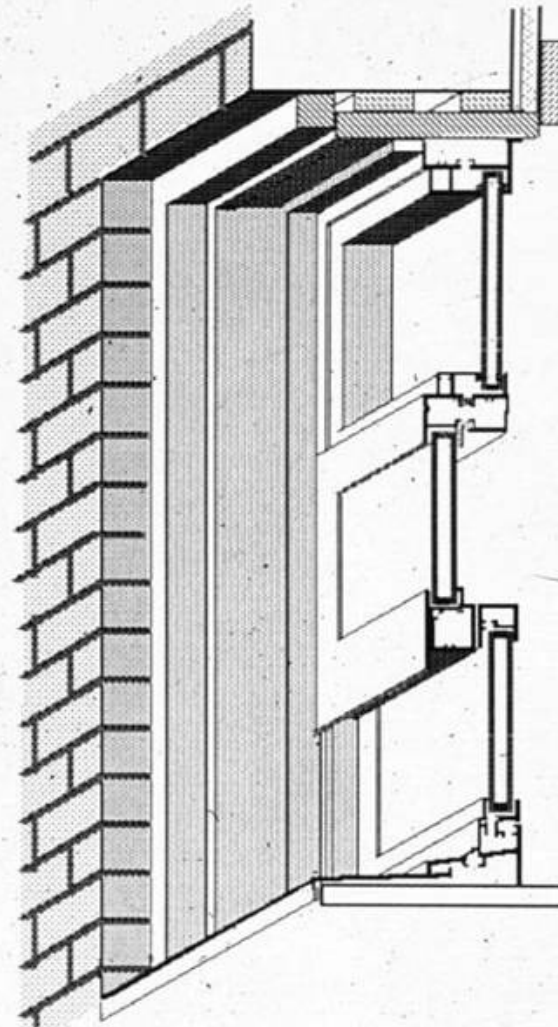


Two sources of storm window condensation.



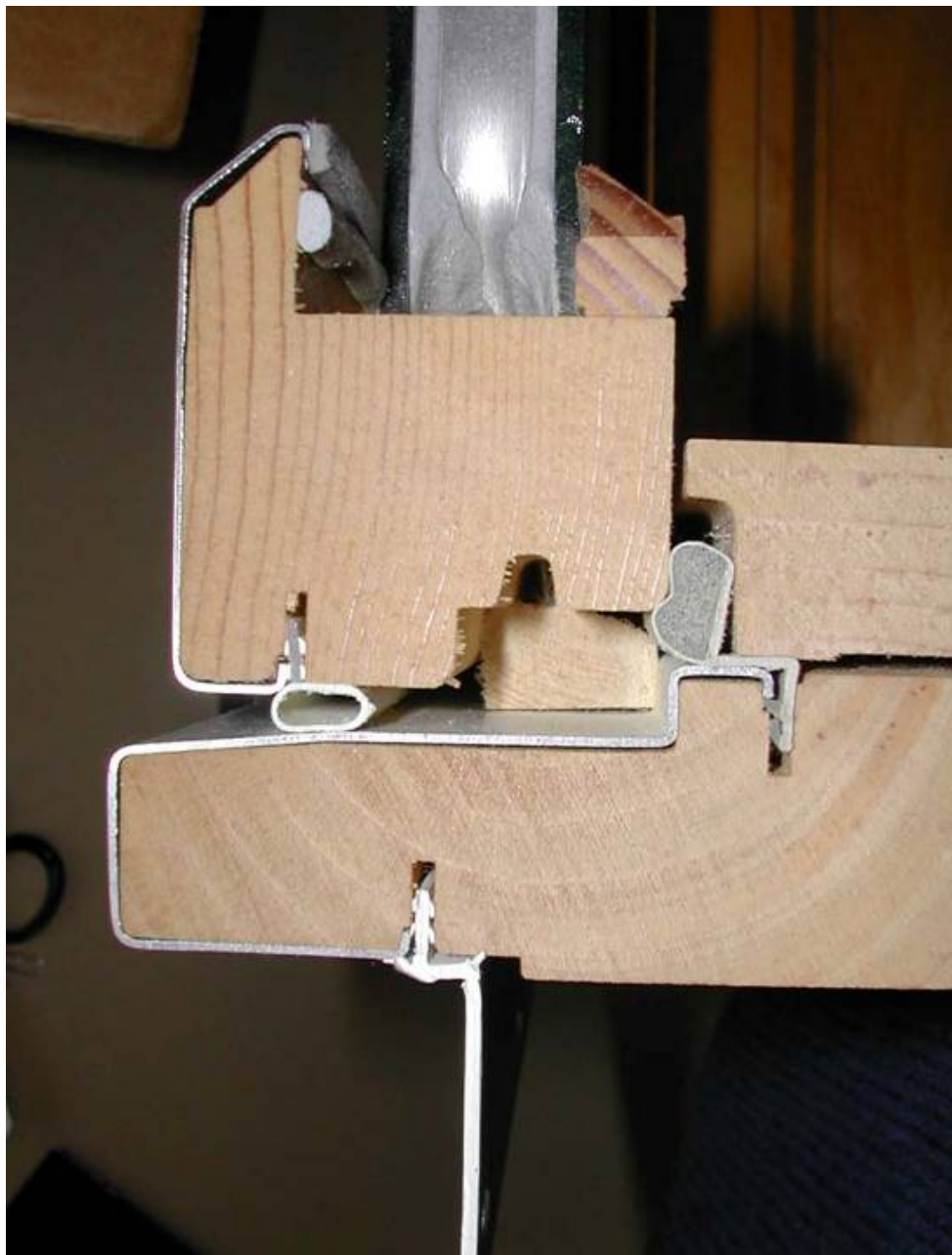
TYPICAL WOOD WINDOW CONSTRUCTION

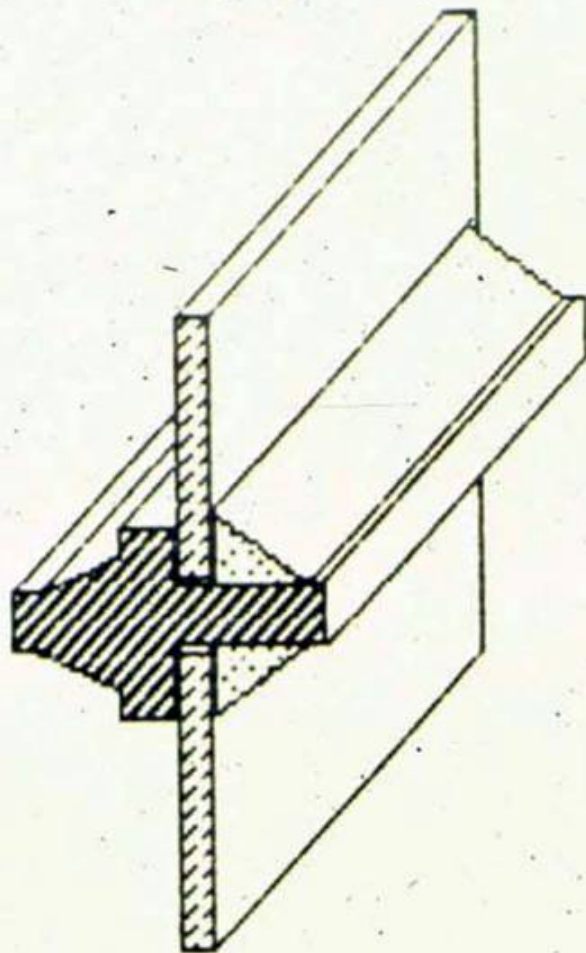
Note the heavy modeling created by the thicknesses of the wooden members and the distance that the glass is set back from the front of the window sash.



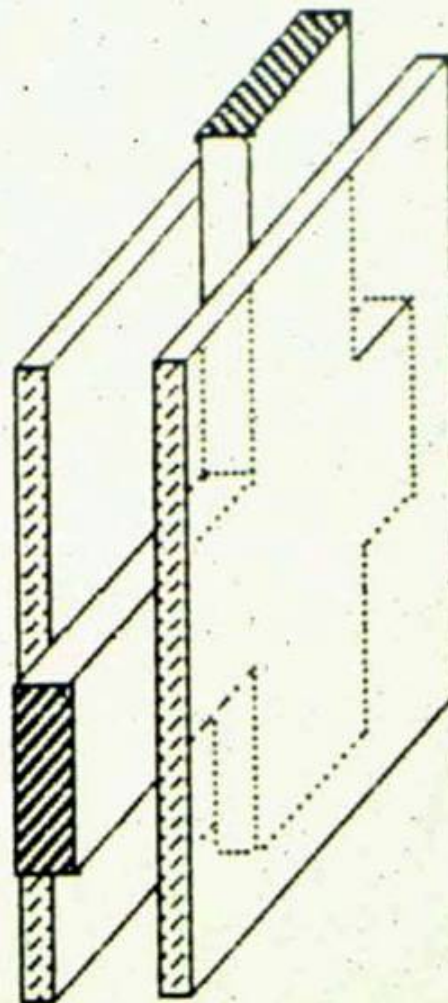
UNACCEPTABLE ALUMINUM REPLACEMENT WINDOWS

Even though this window's proportions approximate those of the wooden window, the framing members have almost no depth and there is almost no setback between the glass and the sash.

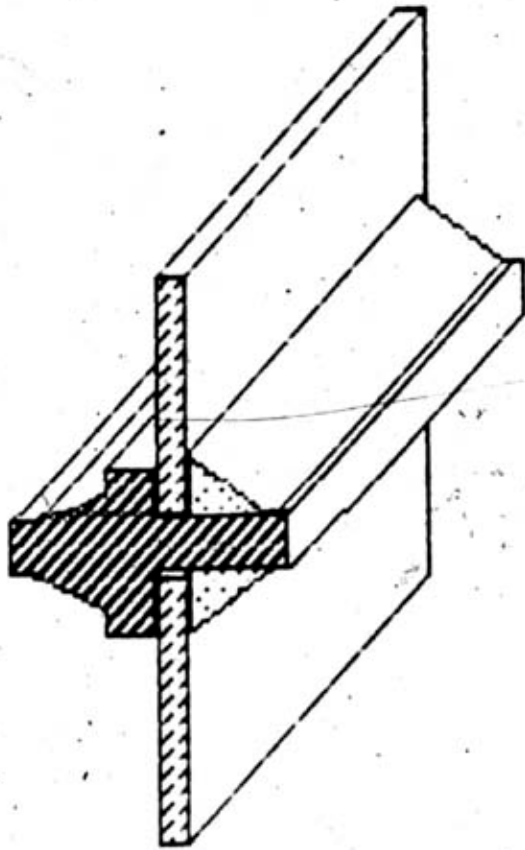




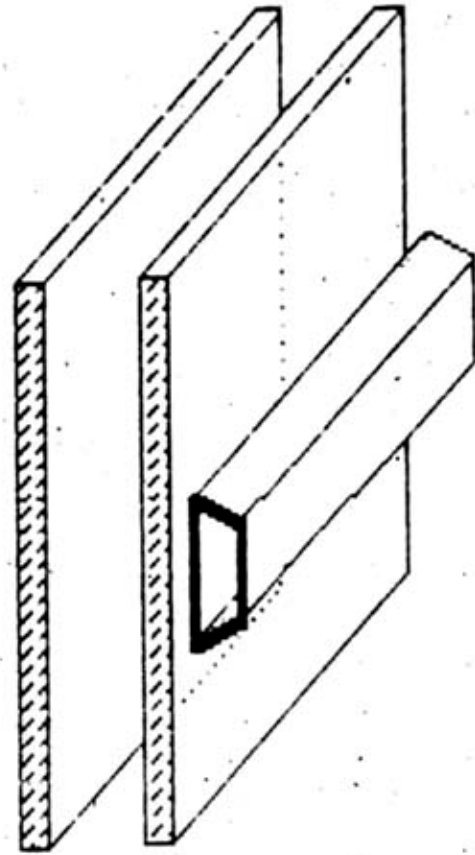
**ORIGINAL
MUNTIN**



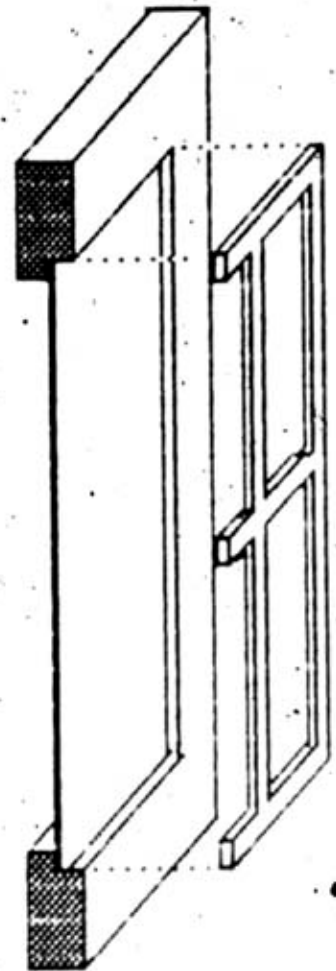
**SANDWICH
MUNTIN**



**ORIGINAL
MUNTIN**



**APPLIED
MUNTIN**





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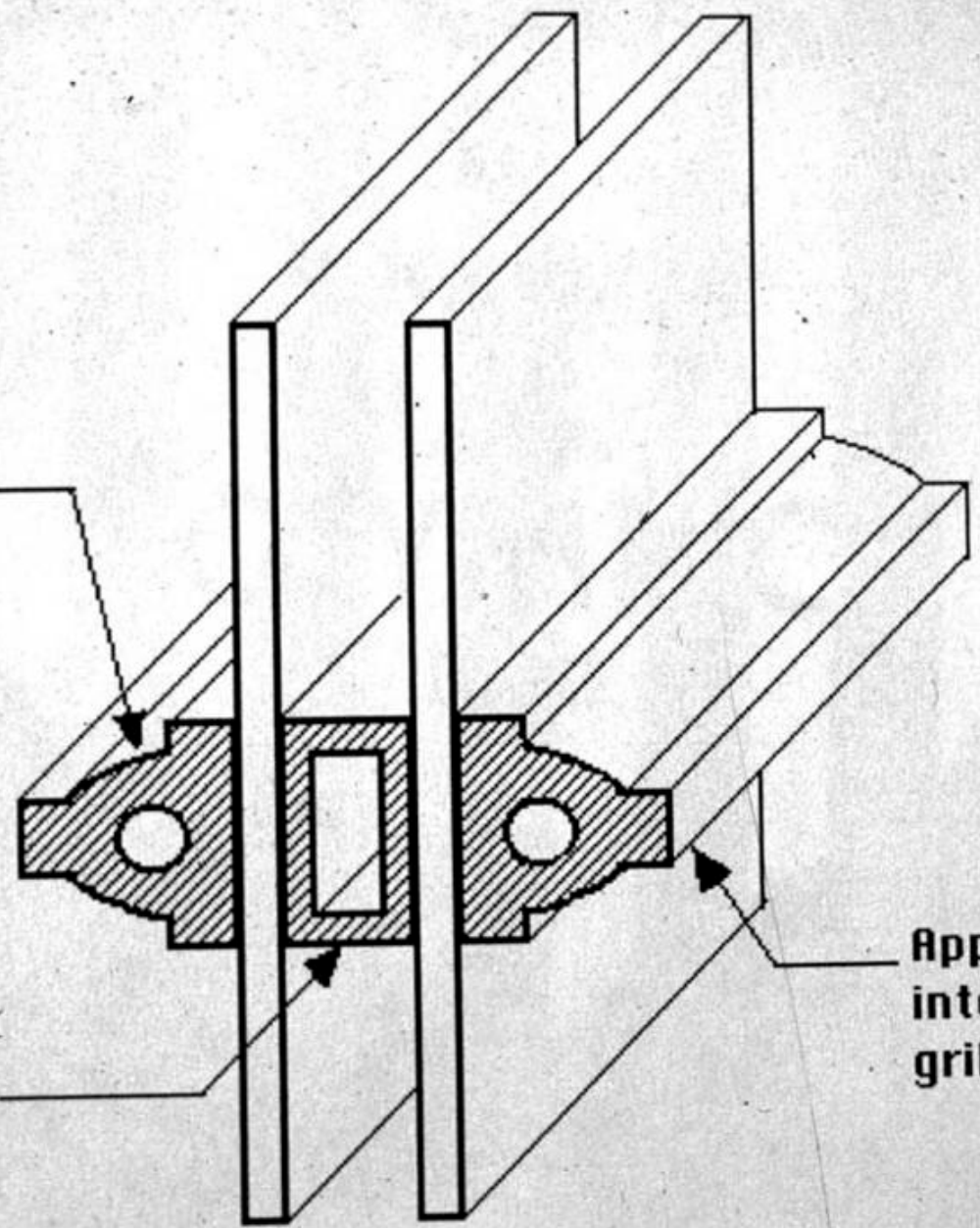


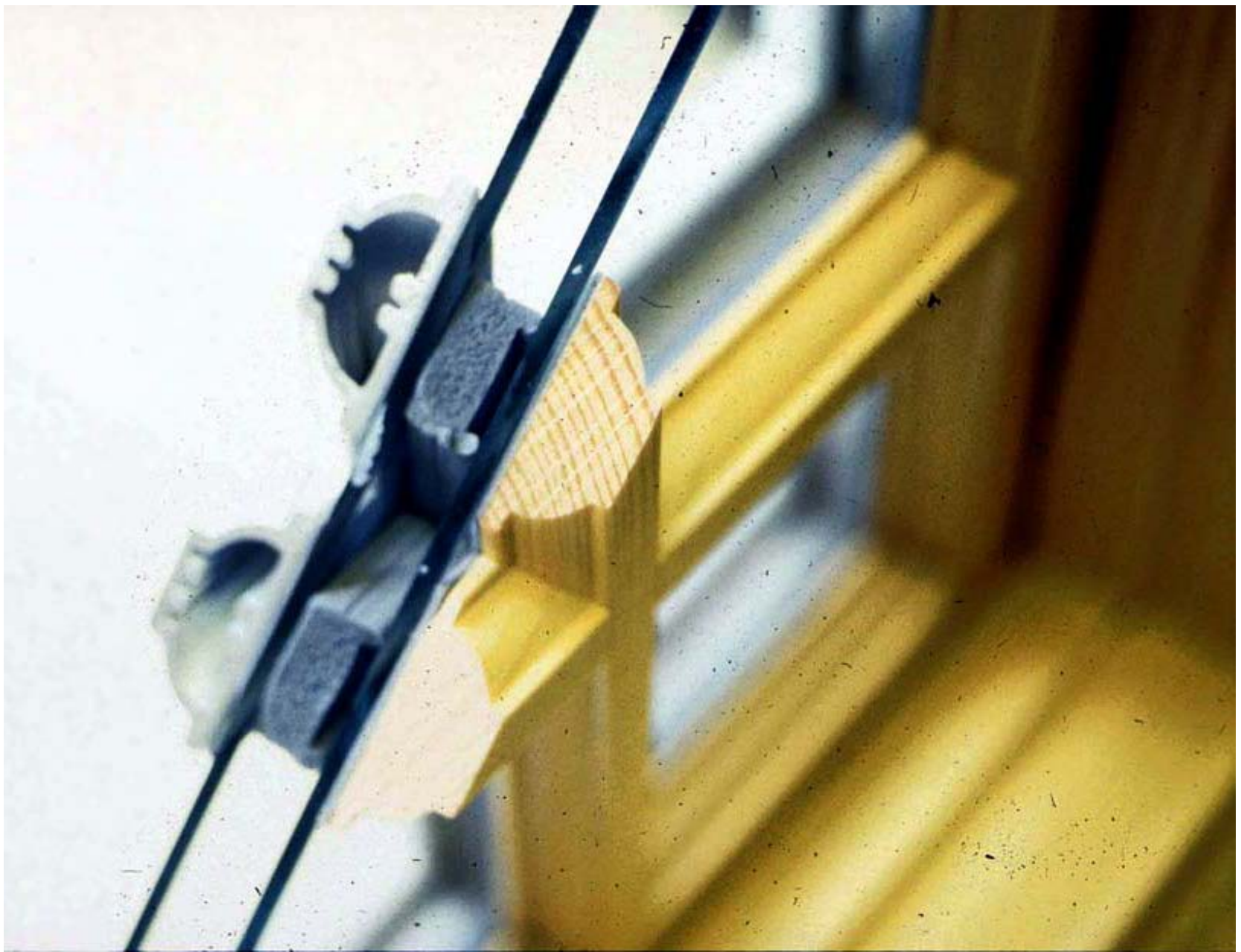


Applied exterior grillwork

Interior spacer

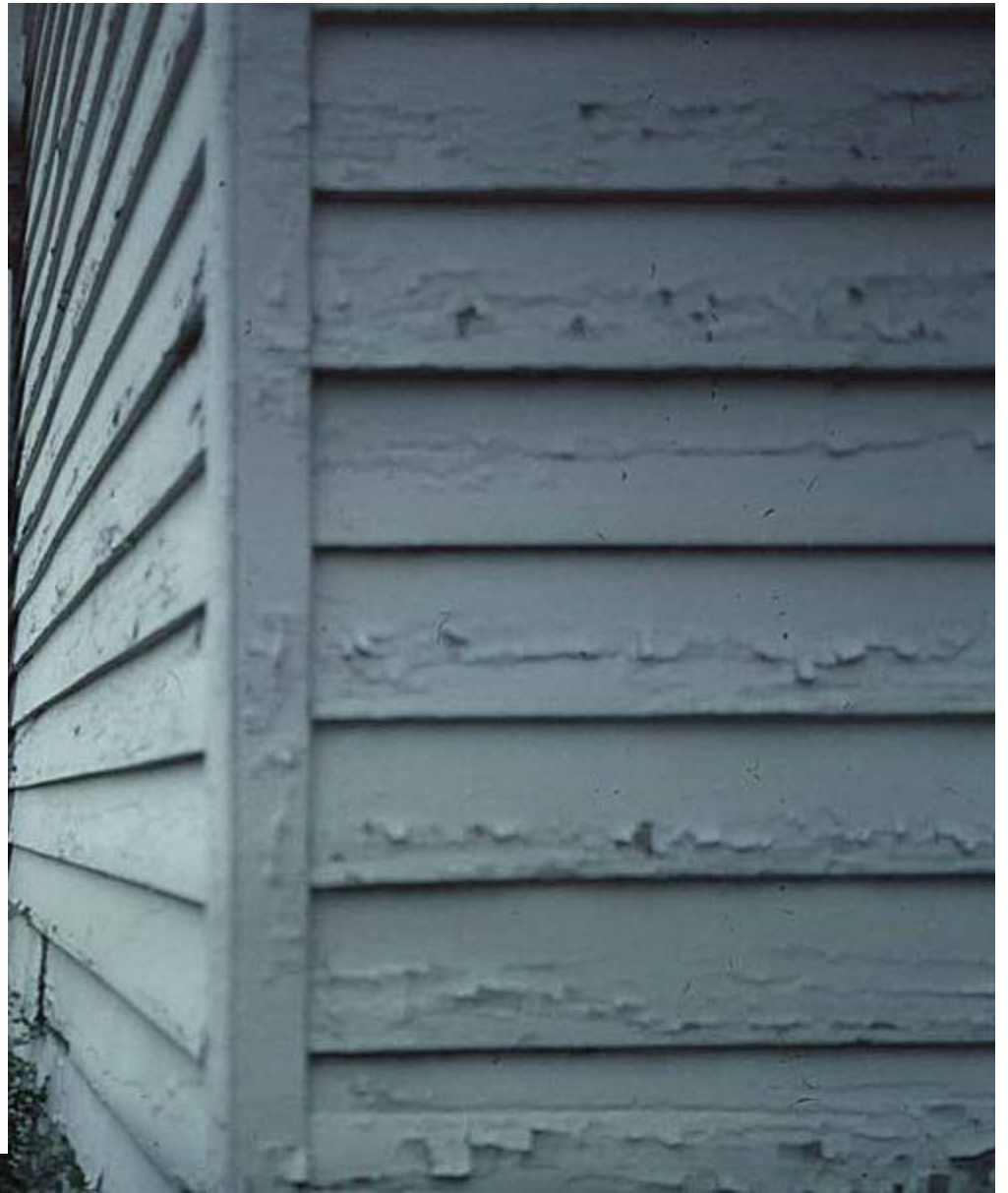
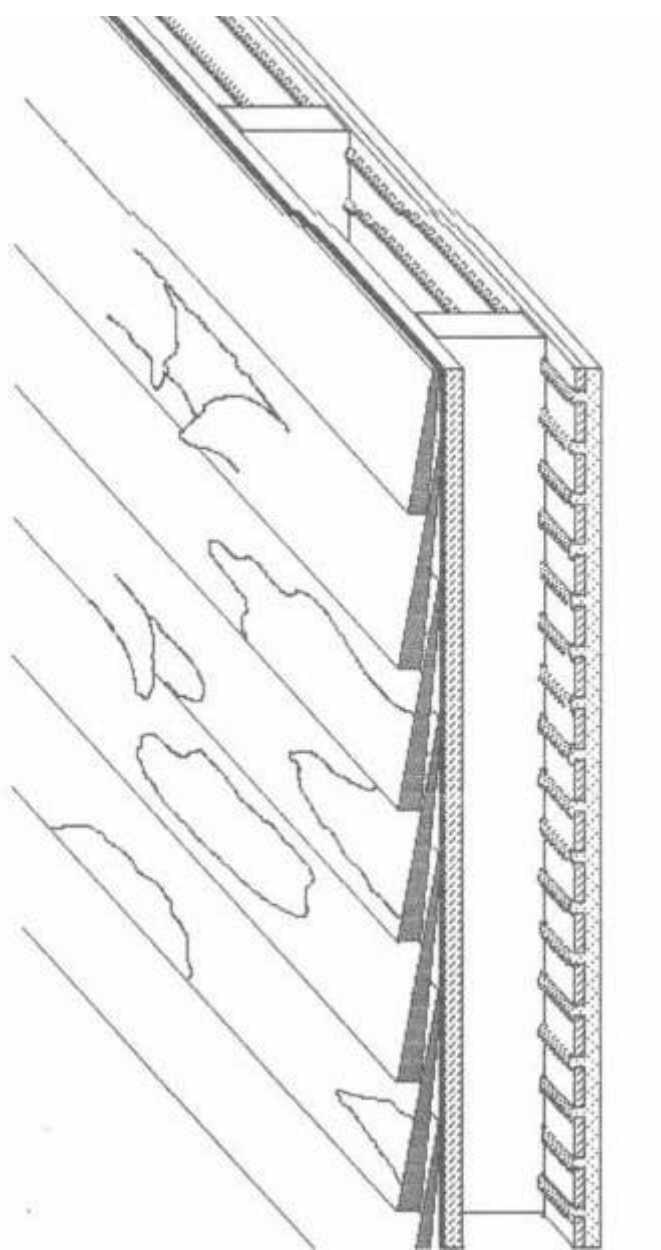
Applied interior grillwork

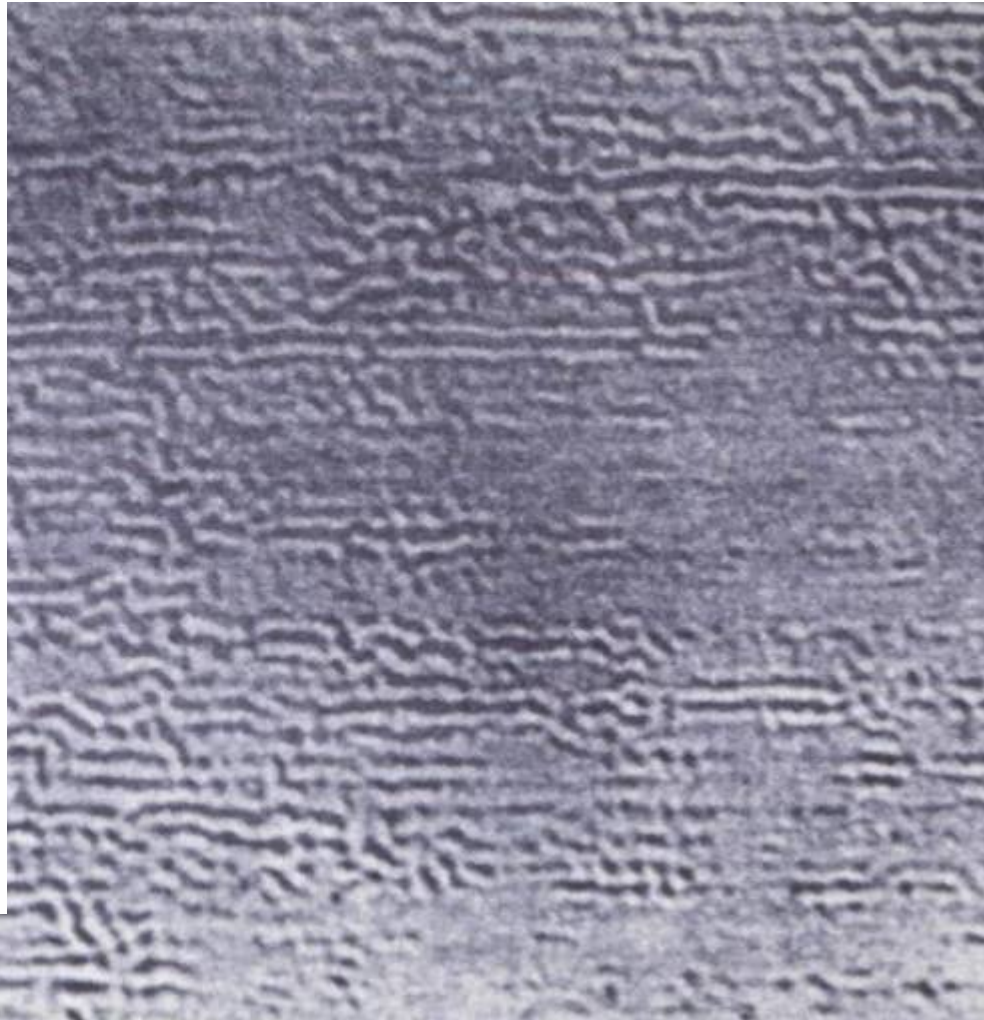
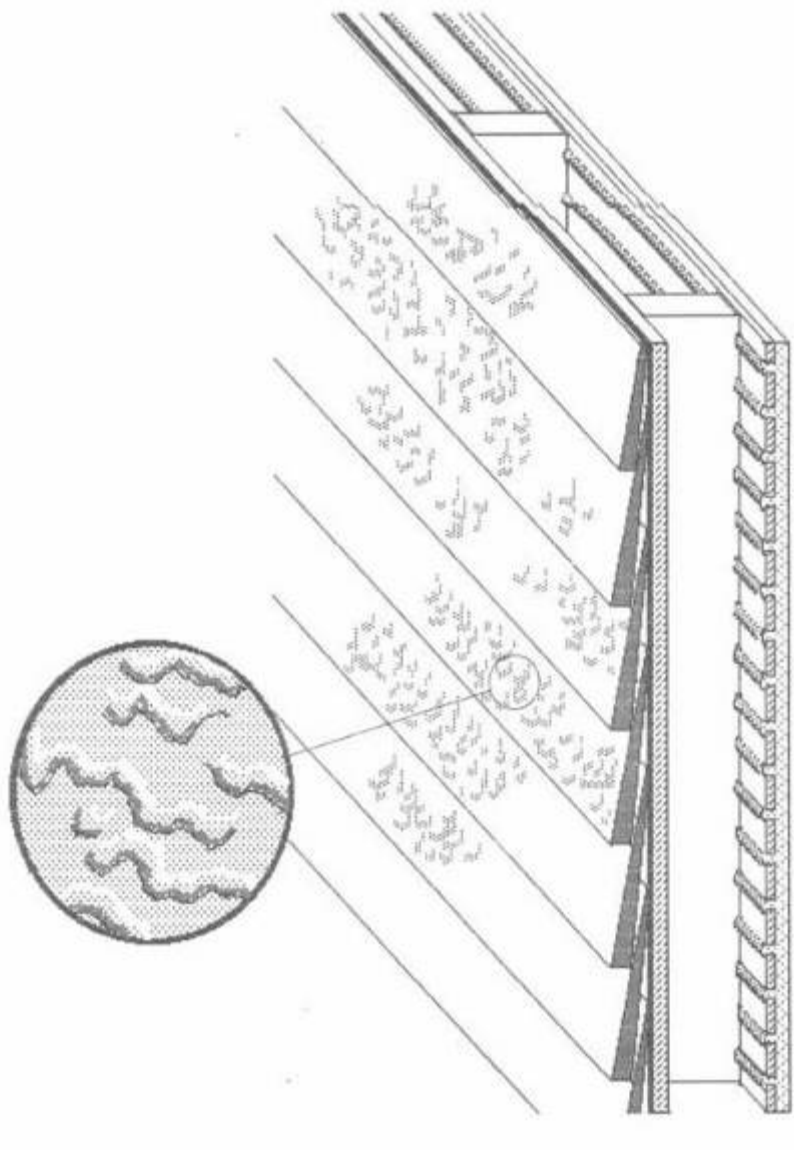


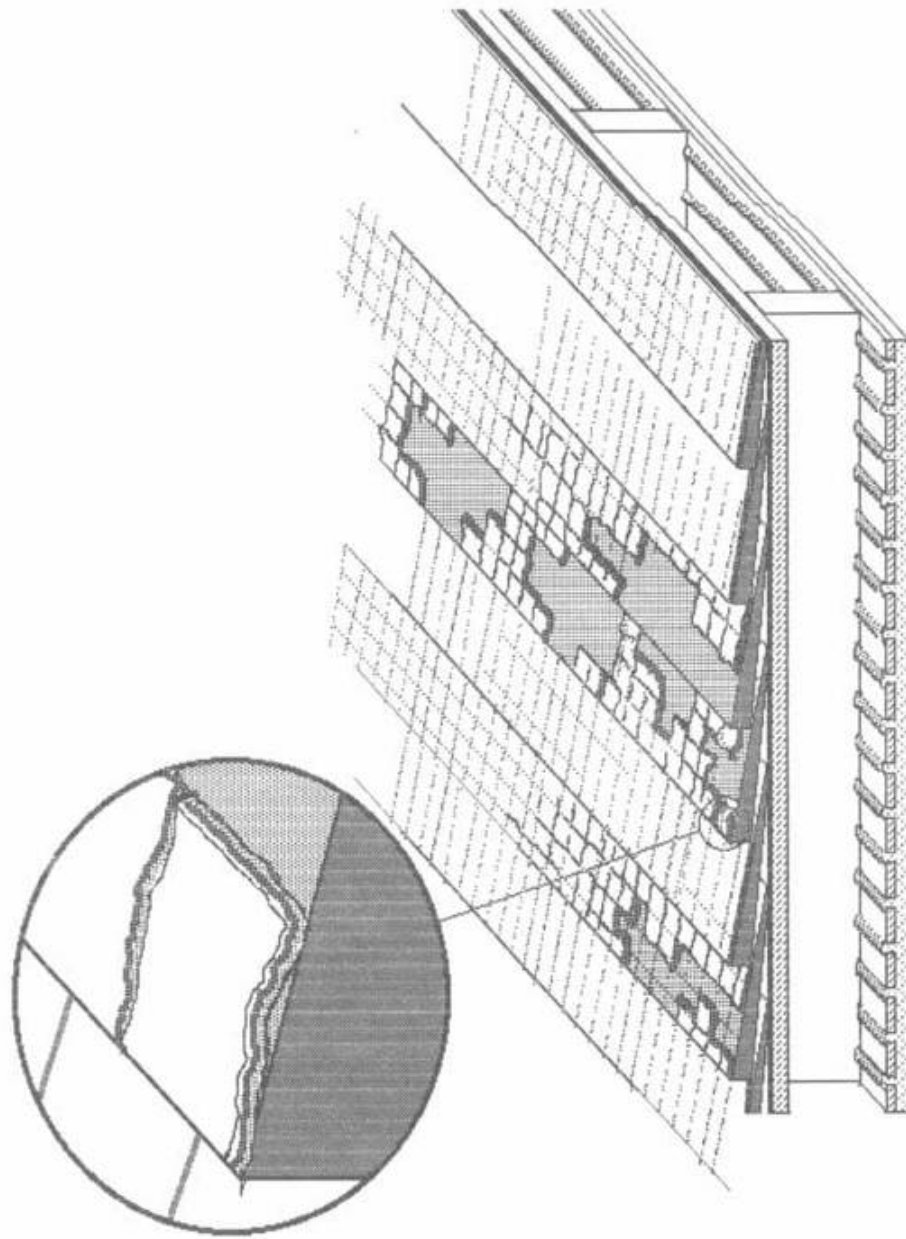


Painting









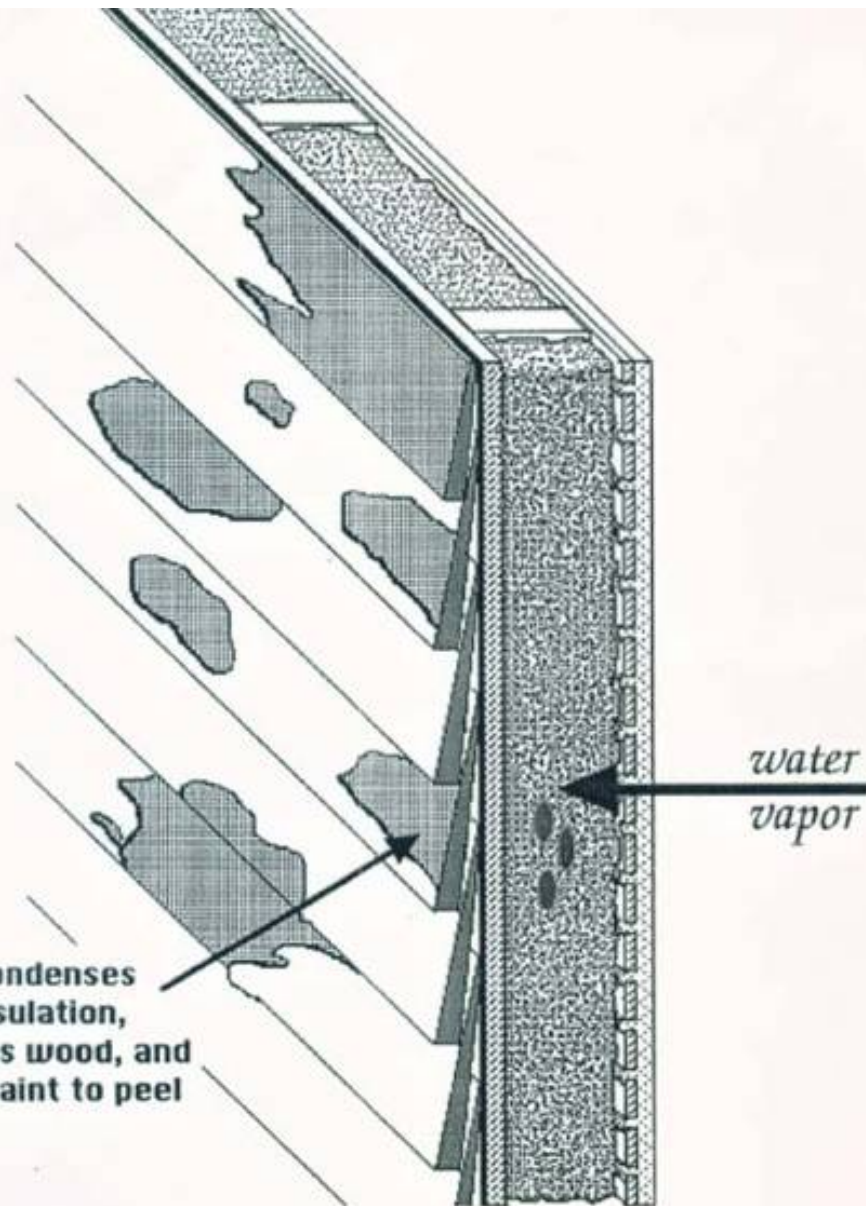




**ded By
Have Tried It.**

OF SPECIAL INTEREST are the safety factors. The heat gun avoids the hazards of methylene chloride vapors that are present in most paint removers. And because it operates at a lower temperature than a propane torch, there is no danger of the lead poisoning that can occur when torching old lead paints. Too, fire danger is much lower than it is with a propane torch or blowtorch.

THE ELECTRIC HEAT GUN softens paint in a uniform way so that it can be scraped off with a

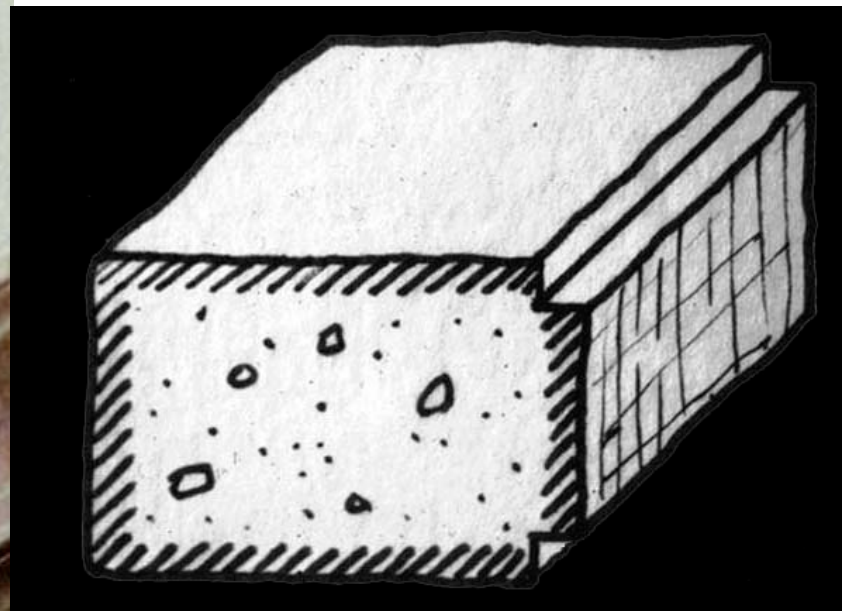
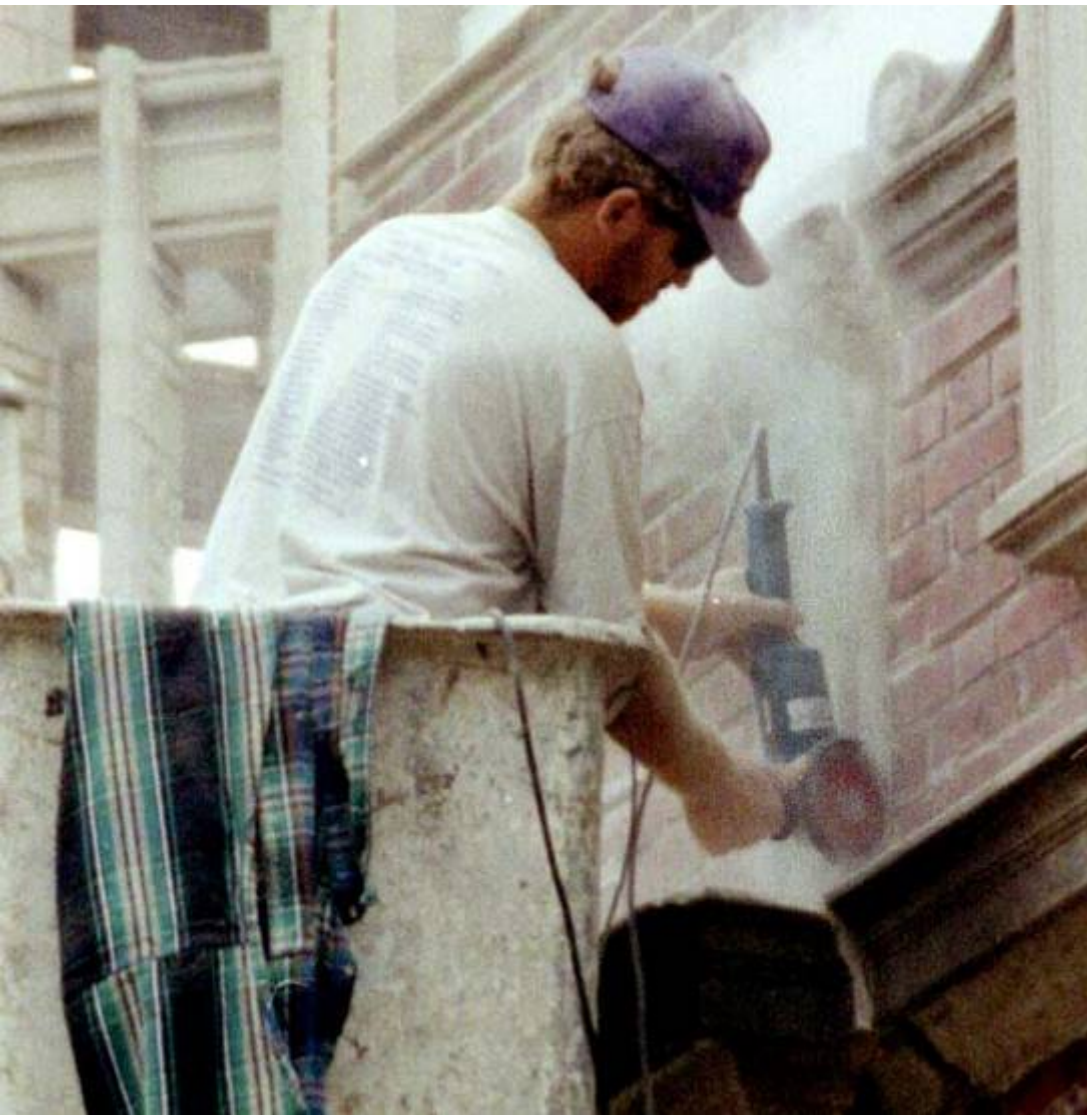




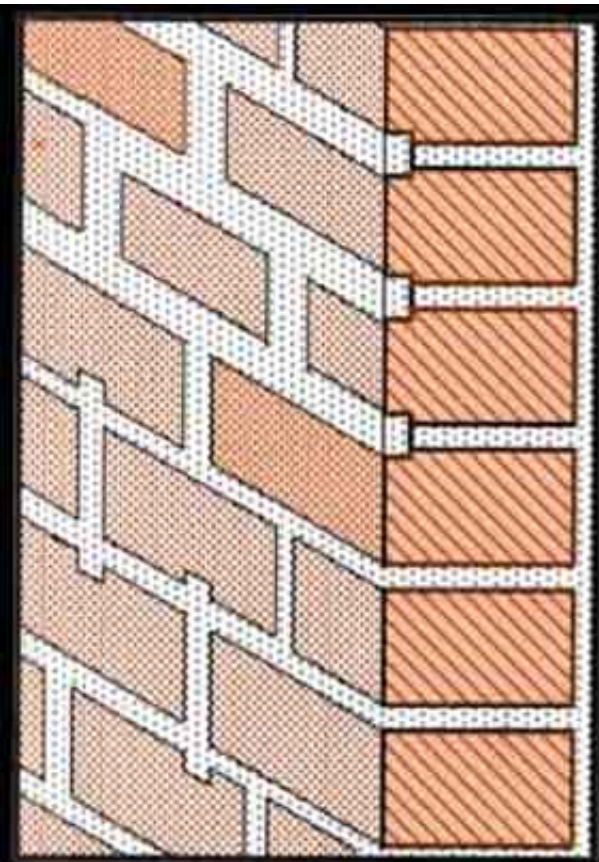


TUCKPOINTING

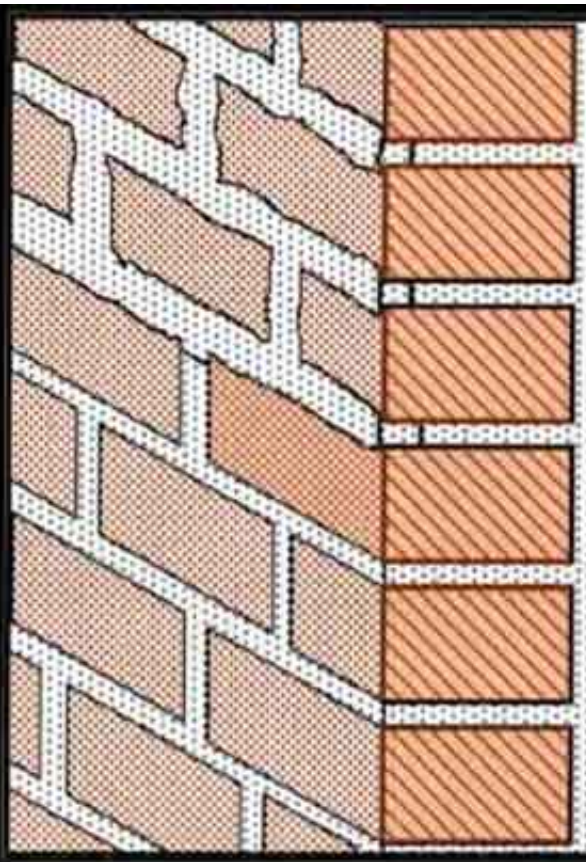




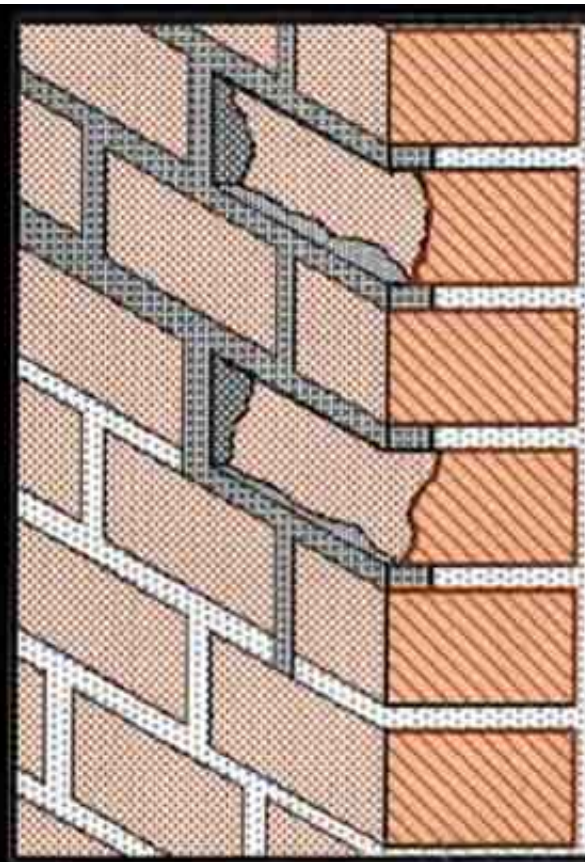
WHAT CAN GO WRONG?



SAW, GRINDER, AND
CHISEL DAMAGE;
WIDENED JOINTS

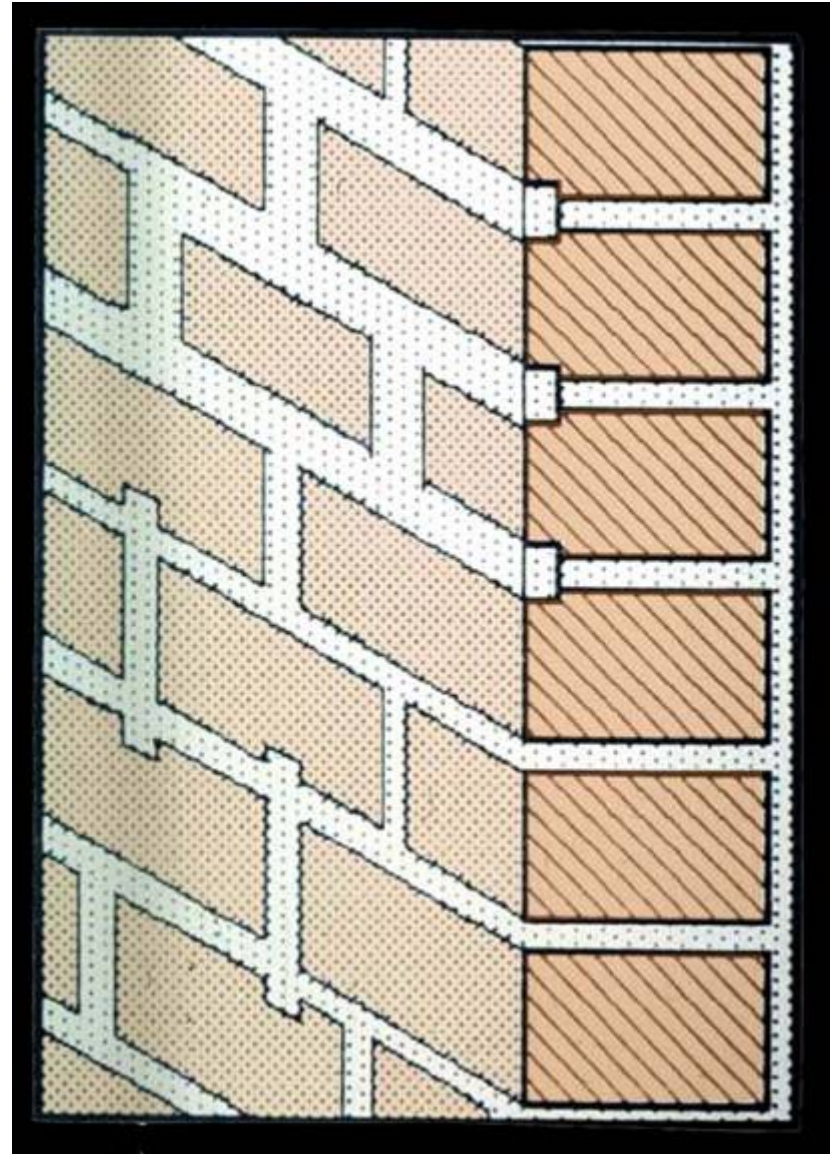


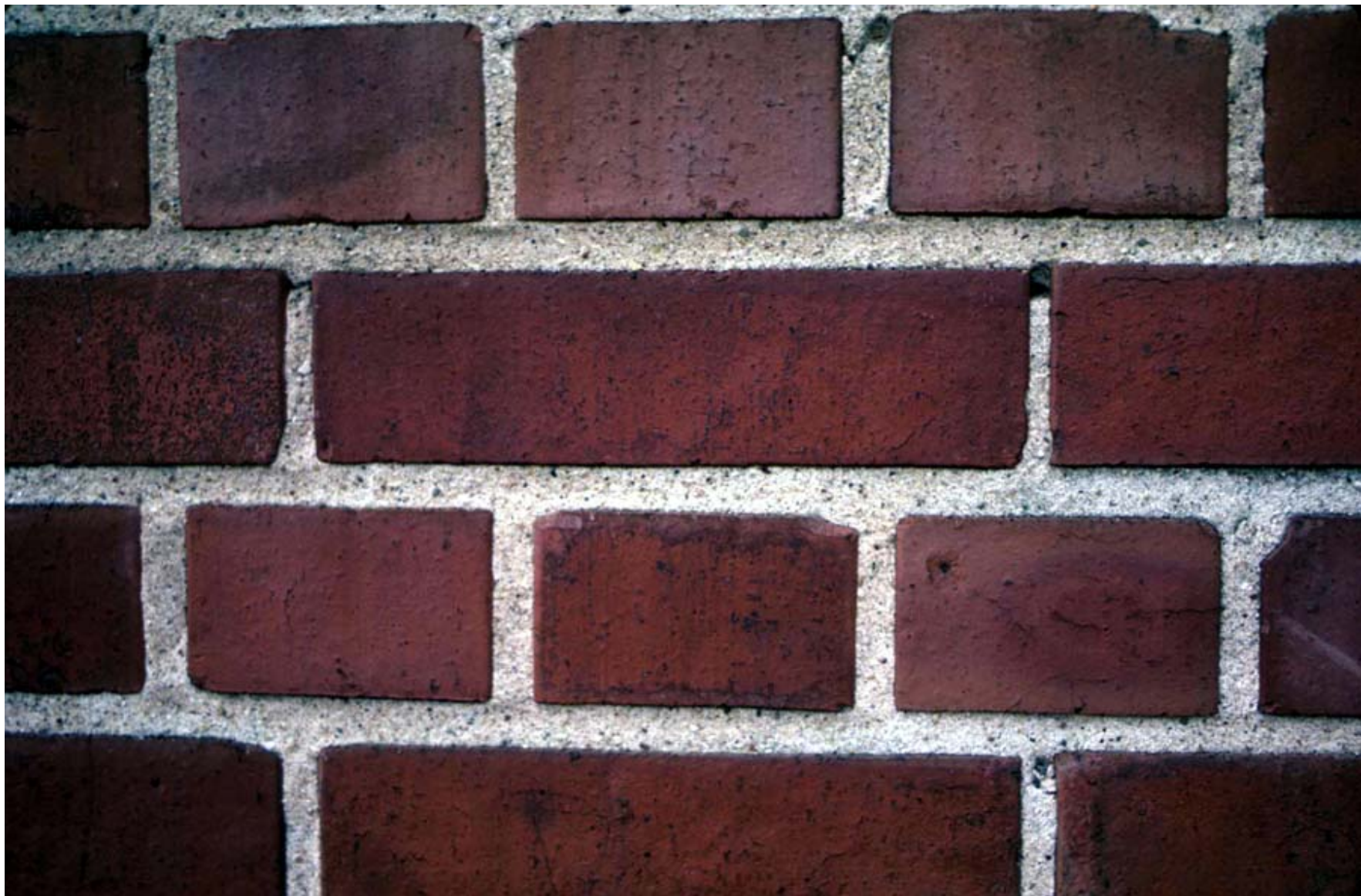
SLOPPY
WORKMANSHIP



DAMAGE FROM TOO-
HARD MORTAR

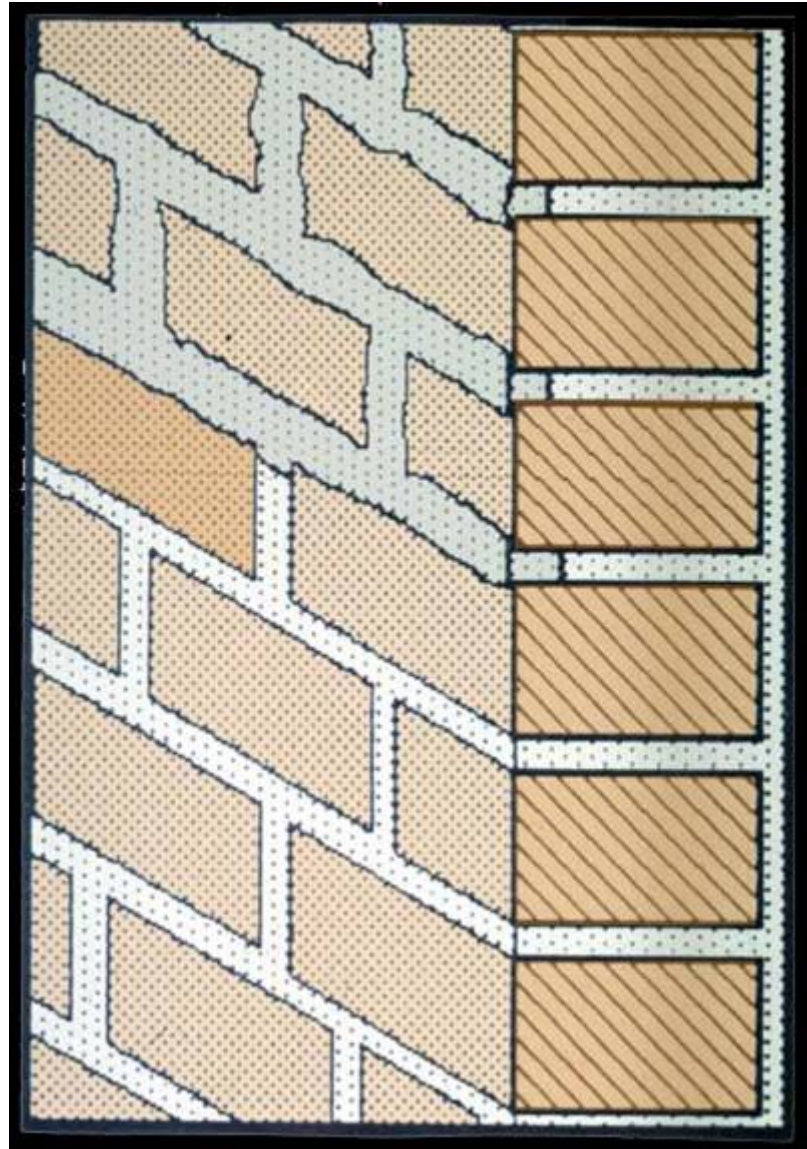
SAW, GRINDER,
AND CHISEL
DAMAGE;
WIDENED JOINTS



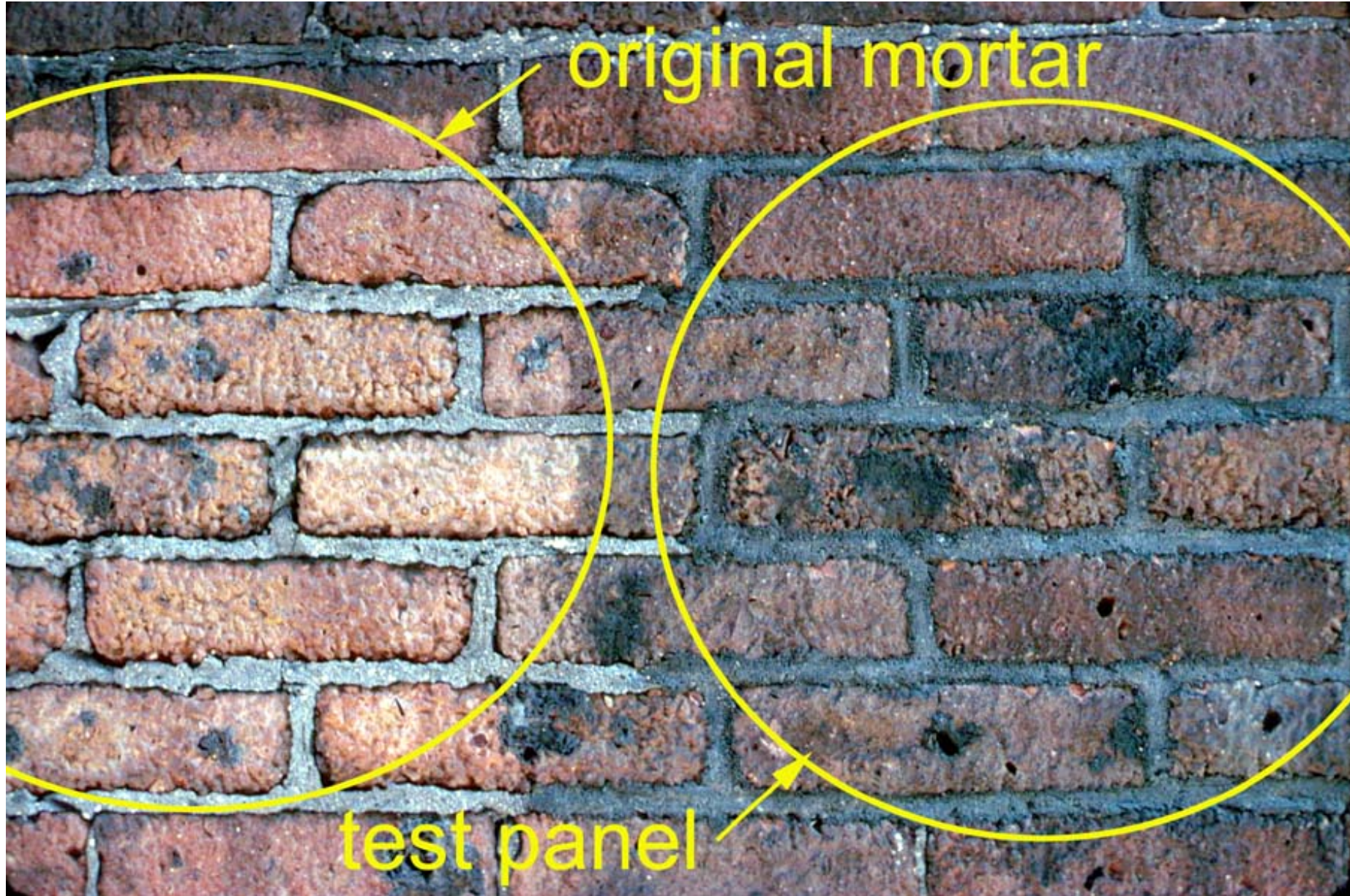




SLOPPY WORK







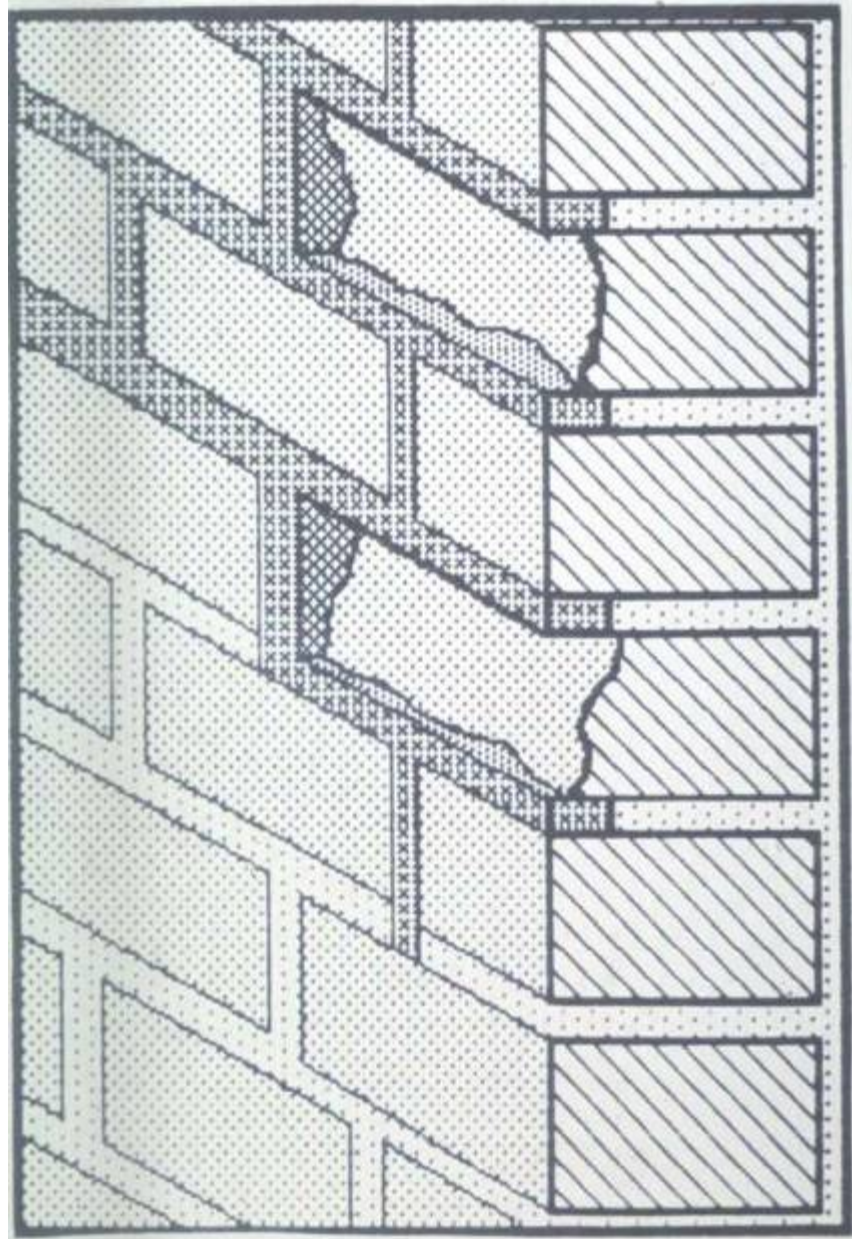
original mortar

test panel



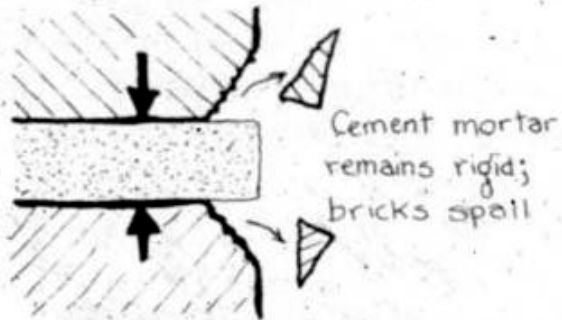


TOO-HARD MORTAR

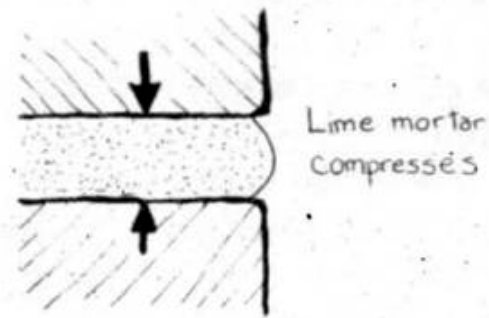


Cement Mortars and Lime Mortars React Differently To Expansion and Contraction

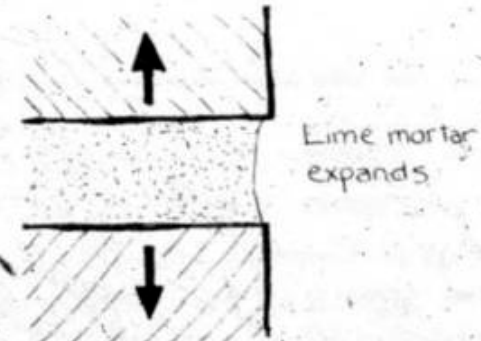
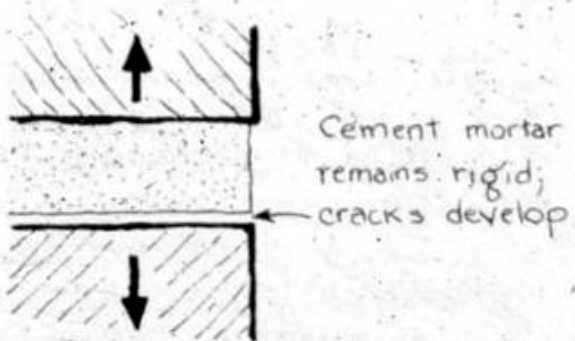
Cement Mortar



Lime Mortar

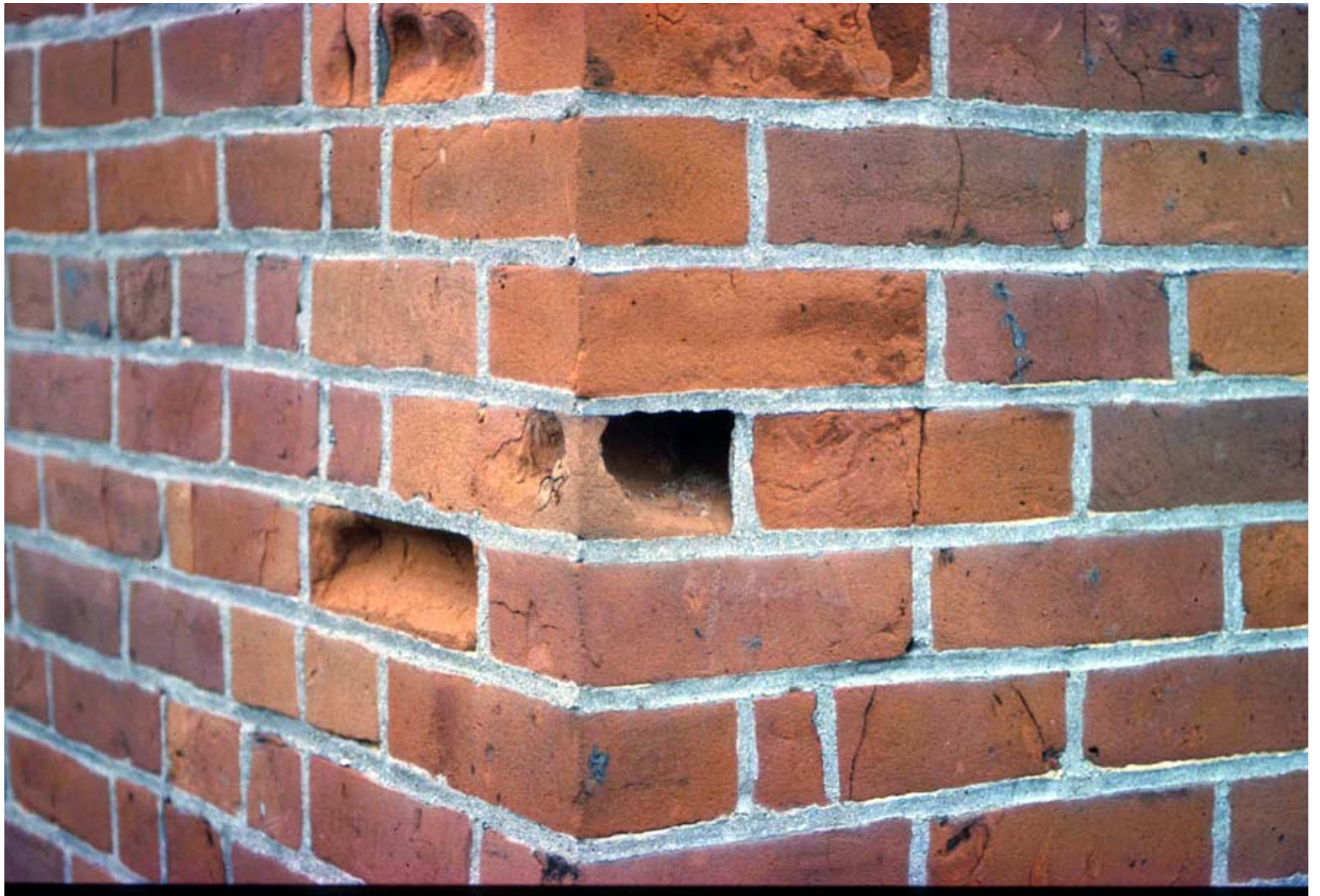


Hot Weather Expansion



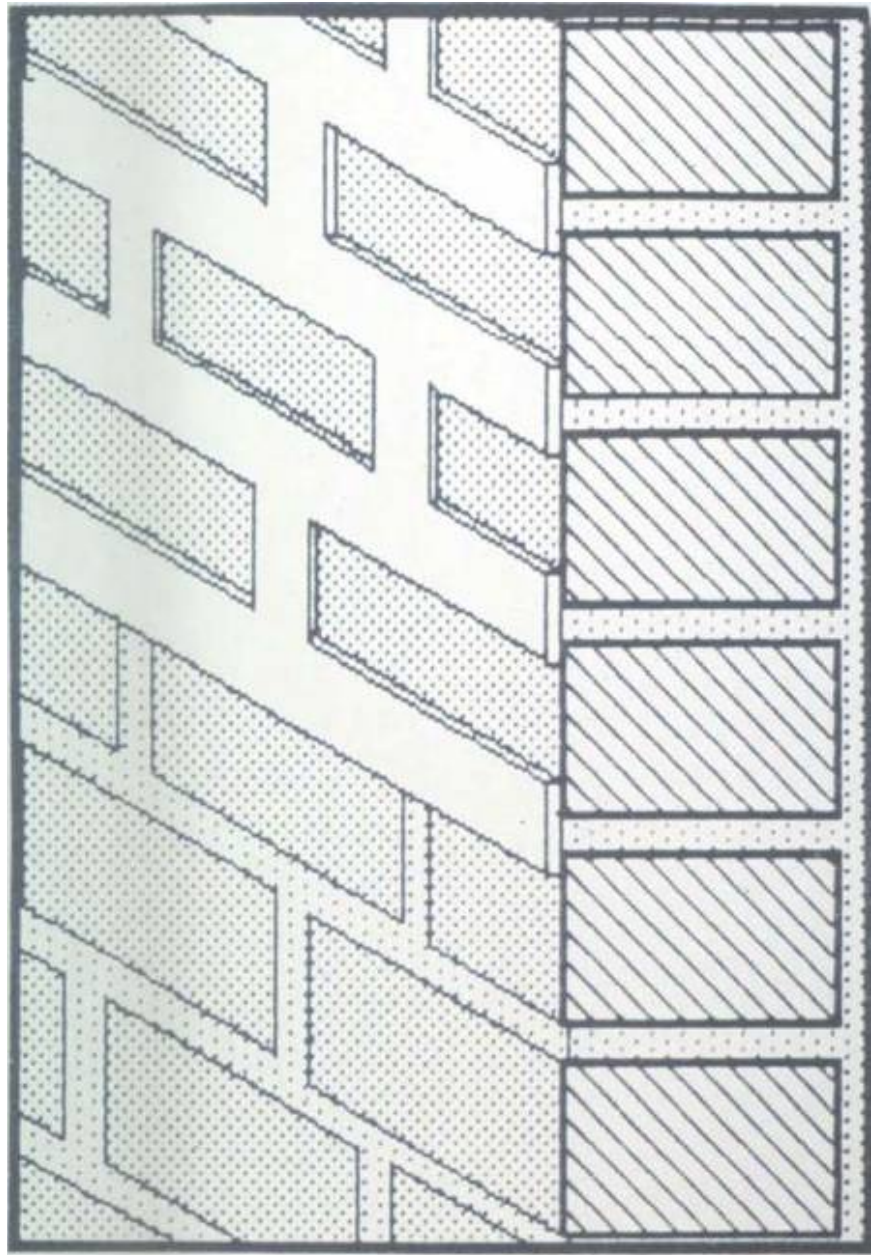
Cold Weather Contraction







“MASS GROUTING”







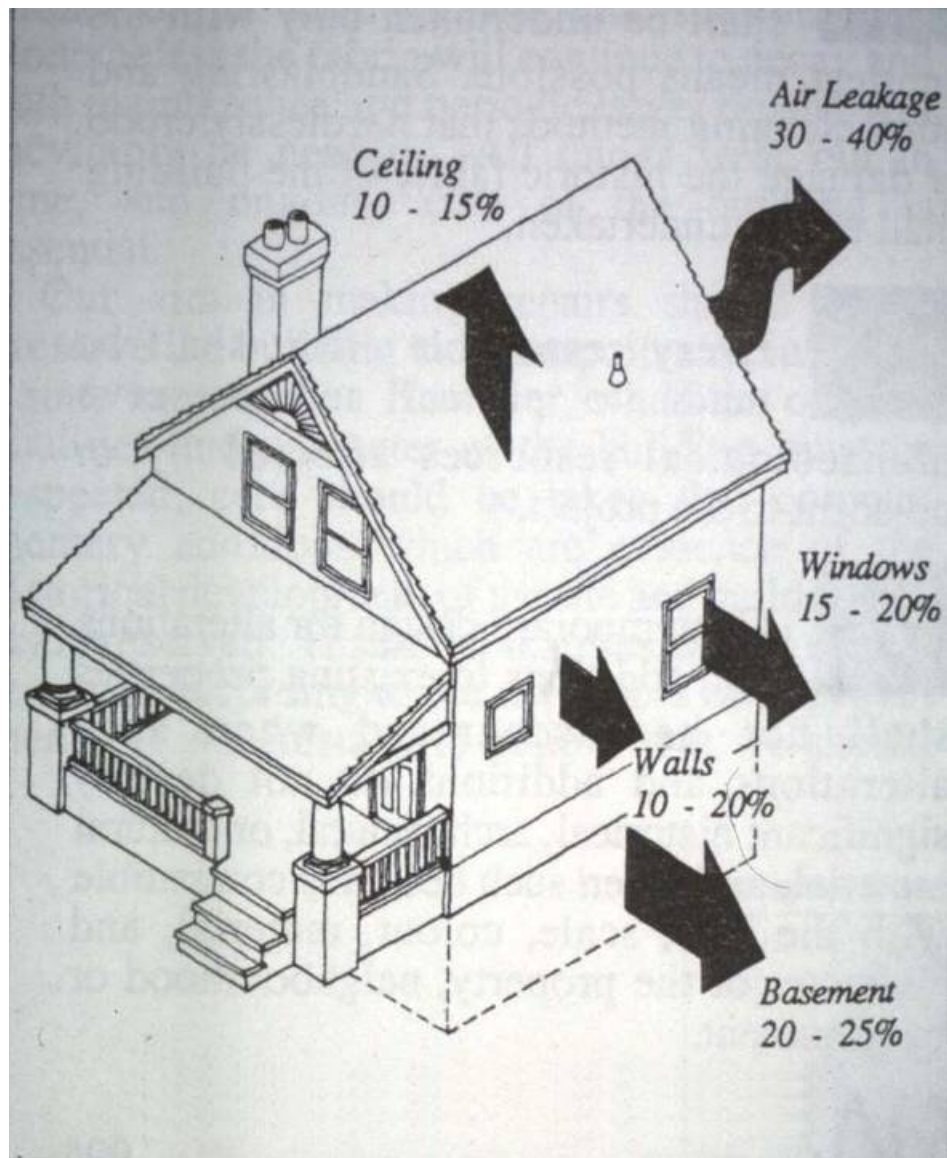
Quick Hits

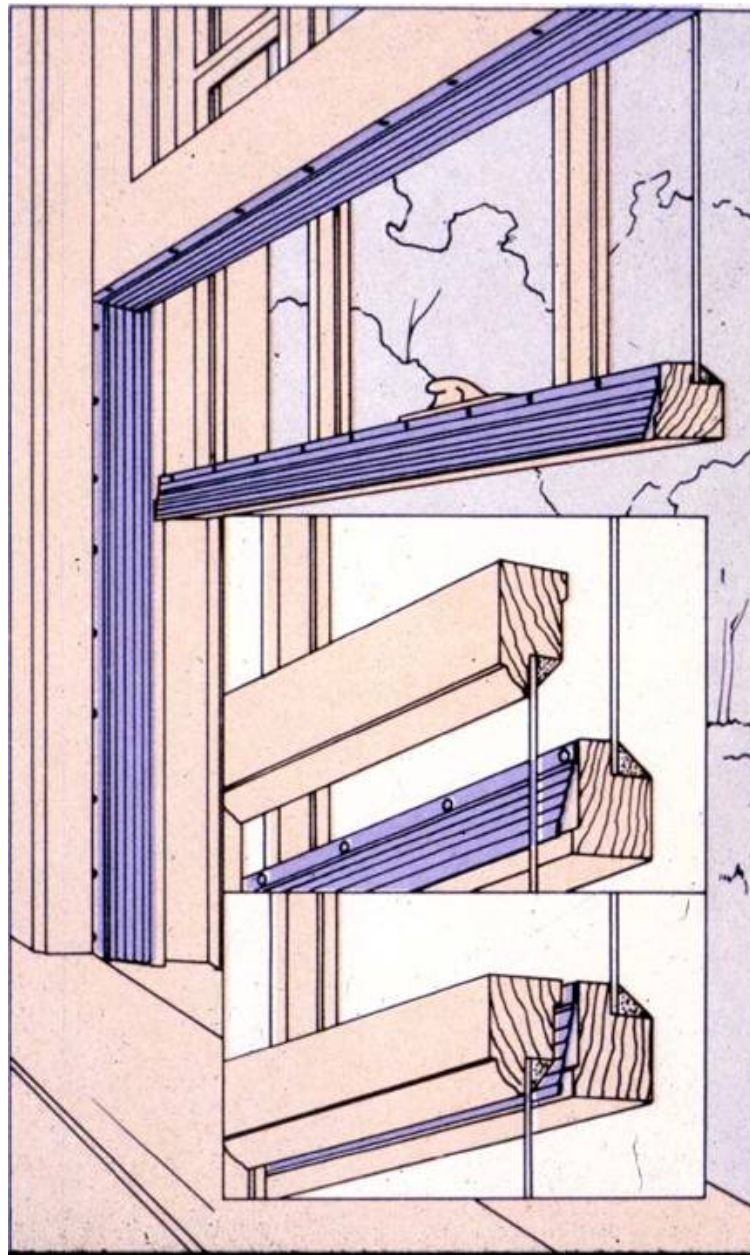
ENERGY CONSERVATION



THREE AREAS OF PRIMARY CONCERN:

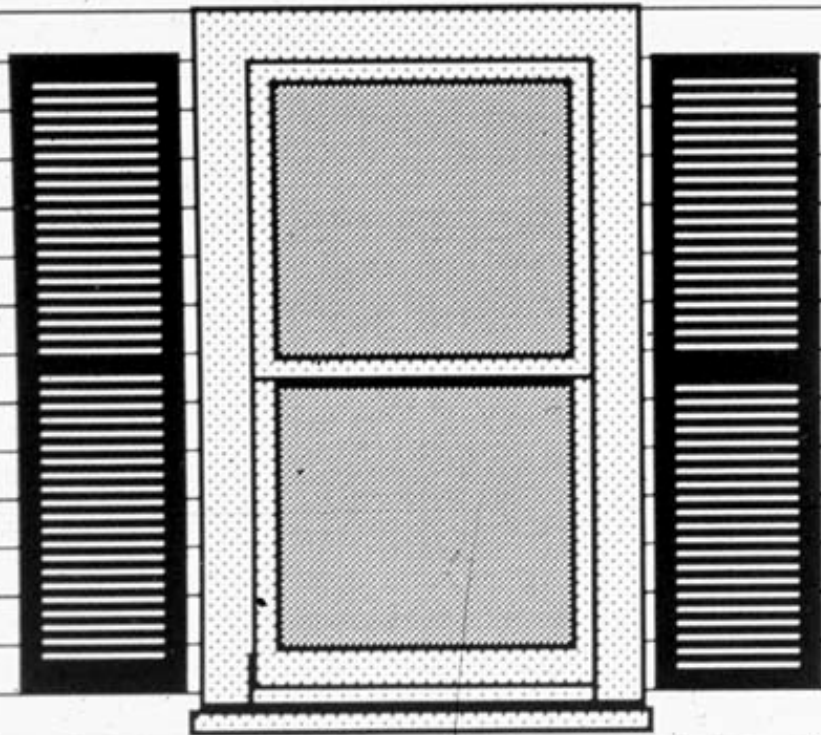
1. FURNACE OR BOILER EFFICIENCY. How well does your house produce and distribute heat?
2. INFILTRATION. How much hot air does your house leak?
3. THERMAL RESISTANCE. How much heat radiates through the walls and roof?



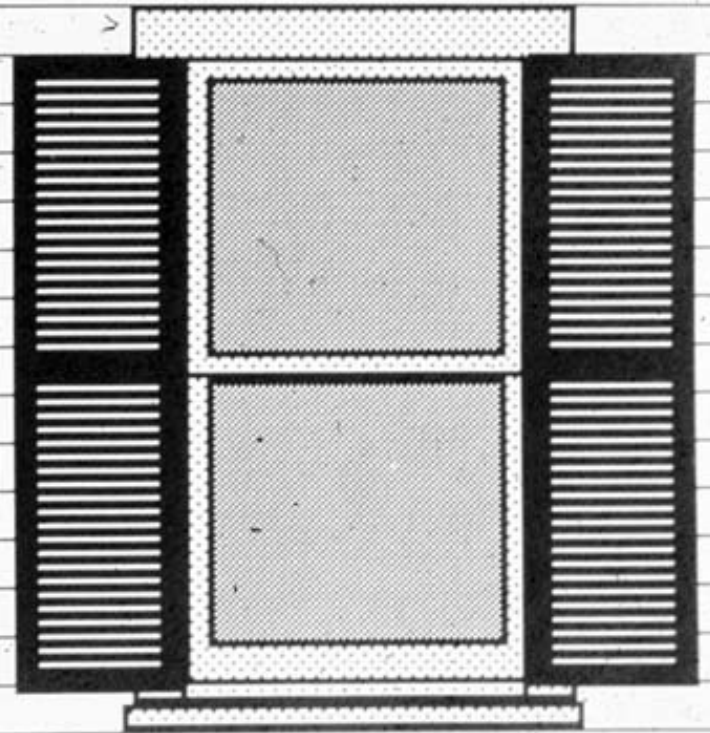


SHUTTERS





INAPPROPRIATE FOR
HISTORIC BUILDINGS



APPROPRIATE FOR
HISTORIC BUILDINGS

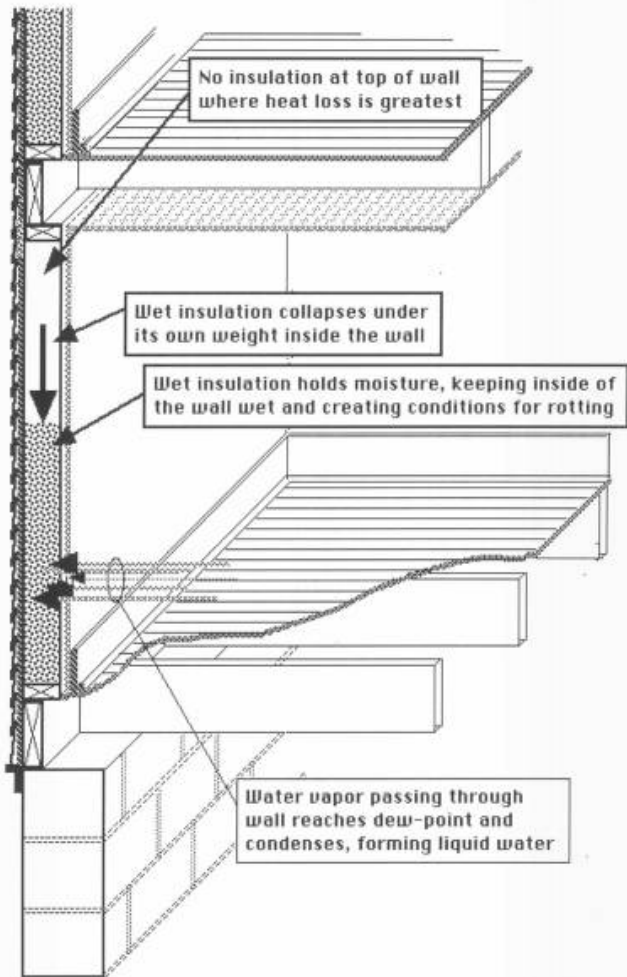




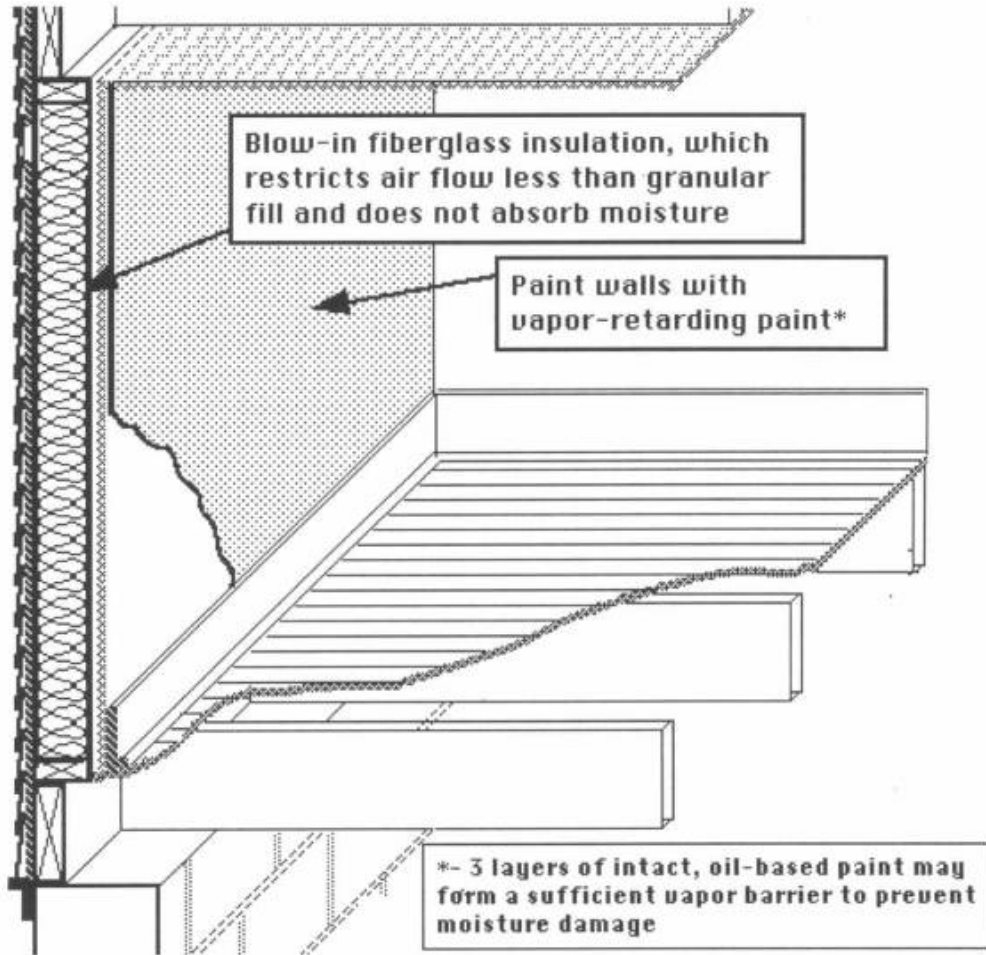
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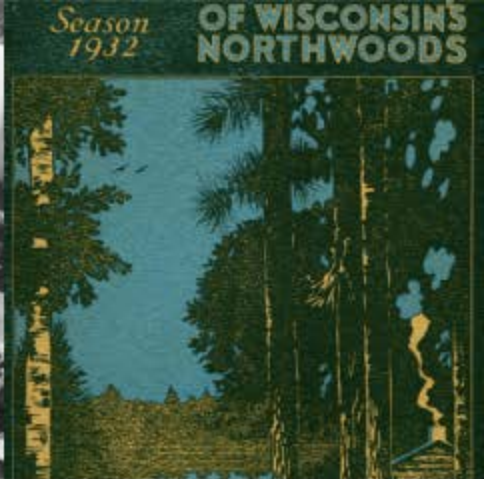
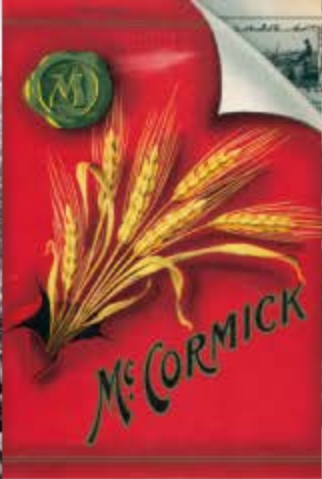




POTENTIAL DAMAGE CAUSED BY BLOW-IN, GRANULAR INSULATION







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THANK YOU

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