



HISTORIC PRESERVATION DIVISION

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GEORGIA STATE INCOME TAX CREDIT FOR REHABILITATED HISTORIC PROPERTY SFY 2009 END-OF-YEAR REPORT JULY 1, 2008–JUNE 30, 2009

BACKGROUND:

- In March 2002, the Georgia General Assembly passed into law the State Income Tax Credit for Rehabilitated Historic Property. Since January 2004, owners of historic residential and commercial properties who plan to undertake a substantial rehabilitation have been eligible to apply for the credit.
- The program is administered through the Historic Preservation Division (HPD) of the Georgia Department of Natural Resources.
- In the 2008 legislative session, the General Assembly approved changes to the 2004 credit. The amended tax credit allows 25% of qualified rehabilitation expenditures to be taken as a state income tax credit for both historic homes and income-producing structures. If the property is in a low-income target area, the credit allowed is 30%. The credit is capped at \$100,000 for historic homes and \$300,000 for income-producing structures. The amended credit goes into effect for projects completed after January 1, 2009.

ELIGIBILITY:

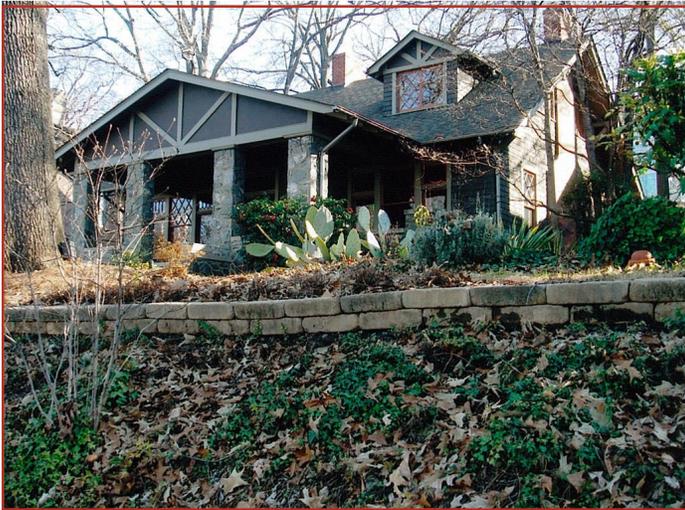
- The property must be eligible for, or listed in, the Georgia Register of Historic Places.
- Project work must be certified as meeting DNR's *Standards for Rehabilitation*.
- A substantial rehabilitation test must be met.
- **Part A – Preliminary Certification** should be submitted to HPD before project work begins. Once the Part A is approved, the applicant has two years to complete the rehabilitation.
- **Part B – Final Certification** is submitted to HPD when the project is finished. After the Part B is approved, the owner applies the credit to the taxable year the rehabilitation is completed.



The William Brantley Home, located at 20 West Gaston Street in Savannah, was built in 1857. The owners spent over \$2.5 million dollars in successfully rehabilitating this 9,000-square-foot home.

ECONOMIC IMPACT:

- Ninety-four applications (Parts A, B, and amendments) were submitted to HPD in SFY 2009.
- Twenty-seven projects were completed and certified as meeting DNR's *Standards for Rehabilitation*; six projects were denied certification.
- Total dollar amount for approved, completed projects equaled \$21,865,000.
- Since January 2004, 127 projects have been certified and successfully completed, reflecting \$89,705,897 in private investment.



This bungalow, located in the Midtown National Register Historic District in Atlanta, was built in 1909. Although the historic integrity of the interior was pristine, the condition was uninhabitable. The owner invested over \$600,000 in turning this 4,900-square-foot home and its coach house into an accomplished rehabilitation.



The bathroom before (below) and after (left) rehabilitation



For questions about this report or to learn more about federal and state preservation tax incentives, contact HPD's tax incentives coordinator at (404) 651-5566.