

HISTORIC PRESERVATION TAX CREDIT PROGRAM

Provide an incentive for the redevelopment of commercial and residential historic structures in Missouri.

Authorization

Sections 253.545 to 253.559, RSMo

Eligible Areas

Statewide

Eligible Applicants

Any taxpayer is eligible to participate in this program. Not-for-profit entities and government entities are ineligible. Any participation by not-for-profit entities, including but not limited to ownership interest, capital contributions, distribution of tax credits, incurrence or payment of rehabilitation expenses, lease to a tax-exempt entity, may result in the reduction of tax credits.

Program Benefits/Eligible Uses

The program provides state tax credits equal to 25% of eligible costs and expenses of the rehabilitation of approved historic structures.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 148 –
- Bank Tax
- Insurance Premium Tax
- Other Financial Institution Tax

This credit's special attributes:

- Carry back 3 years
- Carry forward 10 years
- Sellable or transferable

Funding Limits

- Effective 7/1/2018, the cap is \$90 million for projects receiving tax credits for \$275,000 or more plus an additional \$30 million solely for projects located in a qualified census tract.
- Owner occupied residential has a project cap of \$250,000 and projects receiving less than \$275,000 do not fall under the program cap.

Application/Approval Procedure

An application is submitted to the Missouri Department of Economic Development (DED), which will then be submitted to the State Historic Preservation Office to determine the eligibility of the property and proposed rehabilitation, based

on the standards of the U.S. Department of the Interior.

Preliminary applications subject to the cap will be scored and considered by DED in accordance with section 253.559.3(1), RSMo and accepted in two (2) cycles for each state fiscal year.

Projects receiving less than \$275,000 in credits may be accepted at any time.

Reporting Requirements

The "Tax Credit Accountability Act" reporting form must be submitted to the Missouri Department of Revenue by June 30 each year for three years following the year of the first issuance of tax credits.

Special Program Requirements

An eligible property must be:

- listed individually on the National Register of Historic Places;
- certified by the Missouri Department of Natural Resources as contributing to the historical significance of a certified historic district listed on the National Register; or
- of a local historic district that has been certified by the U.S. Department of the Interior.

The costs and expenses associated with the rehabilitation must exceed 50% of the total basis of the property (acquisition cost).

Contact

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Division of Business and Community Services
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