

FREQUENTLY ASKED QUESTIONS

What is a preservation tax credit?

It is a set percentage of the final historic rehabilitation costs subtracted from the amount of federal and/or state income taxes owed.

How are the federal and state tax credit programs different?

While both programs offer credits equal to 20% of the rehabilitation costs respectively, the state credit is limited to properties that are located in eligible census tracts. Additionally, the state tax credit is capped at \$5 million in credits—there is not a cap on the federal credits. In order to receive the state credit, the project must be approved for the federal program. For more information, visit parks.ny.gov/shpo/tax-credit-programs/ or call 518-268-2213 to speak to the division staff member assigned to the location of your potential project.

What kind of work qualifies?

All interior and exterior rehabilitation work is eligible for the tax credits as long as it follows the Secretary of the Interior's Standards for Rehabilitation, including work that adapts the property for contemporary use or improves its energy efficiency. The programs essentially cover the entire historic building, from foundation to roof, inside and out.

How can I find out if my property is listed in the New York State and National Registers of Historic Places?

Visit parks.ny.gov/shpo/online-tools/ for access to the division's Cultural Resource Information System (CRIS) or call 518-268-2213 for State and National Registers program assistance.

What if my property is not listed on the Registers?

The division can help you determine if your property is eligible for State and National Registers listing and, if so, provide assistance on the nomination process. Although listing is a program requirement, the property does not have to be listed before you begin the project.

Can the preservation tax credits be used in combination with other public funding programs?

Yes. A variety of federal and state incentive programs can be used in conjunction with the preservation tax credits, such as community development grants and low-income housing credits.

What is the review and approval process?

The division is your primary contact, reviewing your application materials throughout project planning and construction, providing technical assistance and advice, requesting information as needed and submitting your application materials to the National Park Service for review & approval.

What recent changes have been made to the federal and NYS historic tax credit programs?

With the passage of federal tax reform, the federal historic tax credit is now required to be claimed over a five year period. In response to this, NYS provided a reauthorization to the NYS program to 2024, and included a provision that allows the NYS credit to be claimed in a single year. Additionally, NYS has provided an extension to formerly eligible census tracts until April 2020.

FEDERAL AND NEW YORK STATE HISTORIC PRESERVATION TAX CREDIT PROGRAMS

Help for Historic Income-Producing Properties

Owners of historic commercial, office, industrial, agricultural or residential rental properties may be eligible for 20% federal and 20% state historic preservation income tax credits for rehabilitation projects.

PROGRAM ELIGIBILITY:

- You must own an income-producing property.
- The property must be listed on the New York State and National Registers of Historic Places individually or contributing to a listed historic district; or in the process of listing
- All the work must be approved by the Division for Historic Preservation before you begin.
- To apply for the state preservation tax credit, the property must also be located in an eligible census tract as well as qualify for the federal credit.

The rehabilitation work must follow the Secretary of the Interior's Standards for Rehabilitation (visit nps.gov/tps/standards.htm), which focuses on repairing historic materials, retaining character-defining features and preserving important interior spaces. The credit does not cover new construction outside the existing footprint of the historic

GENERAL GUIDELINES

- Contact the division for assistance early in the project planning process before you begin work.
- Projects are reviewed by the division prior to submission to the National Park Service, which is responsible for final tax credit project approval.
- The tax credits are a dollar-for-dollar reduction in federal and state tax liability.
- The cost of the rehabilitation must be equal to or greater than the adjusted basis of the property; basically, the adjusted basis is the value of property minus the value of the land.
- The three part application includes: 1. Evaluation of the property's significance; 2. Description of the proposed rehabilitation; and 3. Certification of completed work.

QUICK TIPS

- Thoroughly photograph the inside and outside of your building to document its existing, pre-rehabilitation condition.
- Historic windows, significant interior spaces and original floor plans are important, character-defining features that require careful consideration and appropriate treatment during project planning and construction.

FREQUENTLY ASKED QUESTIONS

If I want to apply for the credit, what should I do?

For more information, the application, or to find out if your house is eligible, please visit <https://parks.ny.gov/shpo/tax-credit-programs/> or call 518-268-2213 to speak to the DHP staff member who covers your municipality.

Can I make my house more energy efficient?

Yes. As long as the work does not alter the house's overall historic appearance. High efficient heating systems, solar installation, insulation, and other weatherization projects may be eligible expenses. Please note that existing wood windows can be made more energy efficient with proper repair, including the installation of weather stripping and interior or exterior storm windows, which are additionally eligible expenses.

Can I replace my windows?

Window replacement is an eligible expense if the existing windows are not historic or cannot be repaired due to severe deterioration. You must provide photographs of the windows to show their condition and the proposed replacements must be approved by the division. Vinyl or vinyl clad windows are generally not acceptable. If you are approved for replacements, staff will request the product information for the proposed windows.

Can I install vinyl siding on my house?

Replacing repairable historic material is never recommended; however, if the historic material cannot be repaired because of the extent of the damage, we recommend that the material is replaced in-kind. The use of modern materials over existing wood or masonry may lead to future moisture damage to the structure and will diminish the historic appearance of the building.

Can I use the credit if I have a rental unit in my house?

Yes. Generally, only the work associated with the homeowner-occupied portion of the house is eligible. There is a formula to include repairs of the property to areas of the home that are shared with your tenants. Please contact your DHP representative for more information. Additionally, your house may be eligible for historic preservation tax incentives for commercial properties.

When can I take the tax credit?

This historic tax credit is taken in the year that the owner receives a Certification of Completion from the Division for Historic Preservation; the certificate is issued when work is completed and Part 3 of the tax credit application is submitted and approved.

What if I am unable to use all/any of the credit?

The credit can be carried over to subsequent years until it is used. If your household adjusted gross income is below \$60,000, the unused credit will be issued as a refund.

Can I pass the credit on to a new buyer?

Yes. If you receive certification for the completed work, or approval of Part 3 of the application, and want to pass the entire credit on to the first purchaser, you may. The buyer needs to live in the house, and needs to claim the credit within five years of certification. This can be useful if you are selling the house or for an organization that does not pay taxes to rehabilitate historic buildings and improve neighborhoods.

NEW YORK STATE HISTORIC HOMEOWNERSHIP REHABILITATION TAX CREDIT PROGRAM

HELP FOR HOMEOWNERS OF HISTORIC

If you are the owner of a house that is listed in the State and National Registers of Historic Places individually or as a contributing to a listed/certified historic district AND it is located in an eligible census tract, you may qualify for a state historic tax credit equal to 20% of the repair costs

TO APPLY:

- You must own and live in the house.
- The repair costs must exceed \$5,000 and you must spend at least 5% on exterior work.
- All the work must be approved by the Division for Historic Preservation (DHP) before you begin.



Buffalo

QUALIFIED EXPENSES:

Exterior and interior work is eligible and you can undertake a variety of repairs and/or replacements as long as the work does not significantly change your house's overall historic appearance, including but not limited to:

- Structural systems, including foundations, floor joists and ceiling and attic rafters.
- Roofs, including roof coverings, rafters, fascia, soffits, gutters and downspouts.
- Interior work, including floors, walls, stairs, ceilings and trim around windows and doors.
- Utility systems, including heating, ventilation, air conditioning, electrical and plumbing systems as well as fire safety and security systems.
- Windows and doors, including glass, frames, shutters, hardware and storm windows.
- Exterior walls, cornices, porches and foundations, including siding, dormers, brackets, columns, railings, stairs, window and door trim, concrete or masonry walls and chimneys.
- Weatherproofing, including caulking, weather-stripping and some insulation upgrades.

Please note that the credit does not apply to work outside the footprint of the house, such as new additions, landscaping, driveways, fencing, or detached garages.

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New York State and National Registers of Historic Places

FREQUENTLY ASKED QUESTIONS

Can an owner object to having his or her property listed on the registers? Yes. Private property owners may object to National Register listing. If the property has one owner, that owner's objection will prevent the listing. If the property has multiple owners, the majority of the owners must object in order to prevent listing. For properties with multiple owners, such as districts, objections only count toward the listing of the district as a whole. No one owner can exempt himself or herself from listing in a district by means of an objection. Although the State Register does not recognize owner objections, it is the policy of the SHPO to avoid listings with significant objections and to work with nomination sponsors and communities to provide information and education about the registers program.

How long does it take to get a property listed? The length of time required for the preparation and review of an individual nomination is typically twelve months or longer, depending on the quality of the application and staff workloads. Historic districts generally require at least a year to account for their greater complexity and the additional need for public comment.

How do the State and National Registers differ from local landmark designation? State and National Registers listing should not be confused with local landmark designation. Many communities have enacted local landmark ordinances that establish commissions with the authority to review proposed work on locally designated properties. These commissions are established and operated independently from the State and National Registers, which do not regulate the actions of private property owners unless state or federal funds are used or a state or federal permit is required. National Register listing does not automatically lead to local landmark designation, and local districts often differ from those listed on the registers.

Must owners of listed buildings open their buildings to the public? No. There is absolutely no requirement to open register-listed properties to the public.

Will a property owner be able to leave his property to his children or anyone else he/she wishes? Yes. Listing on the registers in no way affects the transfer of property from one owner to another.

Will listing on the State and National Registers, either individually or in a historic district, affect local property taxes or zoning? No. Listing has no direct bearing on any of these local actions.

How can an owner get a State and National Registers plaque to display on his or her building? Although the SHPO does not provide plaques, a list of manufacturers is available upon request.

How does listing protect a building and its surroundings? The registers are a valuable tool in the planning of publicly funded, licensed or permitted projects. Government agencies are responsible for avoiding or reducing the effects of projects on properties that are eligible for or listed on the registers. Listing raises awareness of the significance of properties, helping to ensure that preservation issues are considered early and effectively in the planning process.

How do I find out if my building is already listed? Check out the SHPO's online database, the Cultural Resource Information System (CRIS), which is on our website here: <https://cris.parks.ny.gov>. Here, you can enter as a guest, hit the "Search" button at the top of the page, and search with the address, name of the property, or search by zooming into the map. Your building may not already be listed, but we may have some preliminary information already in CRIS. For more guidance, contact your National Register Unit representative.

Where can I find out more about the State and National Registers? Contact the Division for Historic Preservation at (518) 237-8643, visit our website at <https://parks.ny.gov/shpo/national-register/> or see the National Park Service website at <https://www.nps.gov/subjects/nationalregister/index.htm>.



New York State and National Registers of Historic Places

FREQUENTLY ASKED QUESTIONS

What are the State and National Registers of Historic Places? The State and National Registers are the official lists of properties significant in history, architecture, engineering, landscape design, archeology, and culture. Properties may be significant in local, state and/or national contexts. More than 120,000 properties in New York have received this prestigious recognition.

What qualifies a property for listing on the registers? The registers recognize all aspects of New York's diverse history and culture. Eligible properties must represent a significant historic theme (e.g., architecture, agriculture, industry, transportation) and they must be intact enough to illustrate their association with that theme. Properties must usually be more than 50 years of age to be considered for listing.

What are the benefits of being listed on the registers? The State and National Registers are a recognized and visible component of public and private planning. The registers promote heritage tourism, economic development and appreciation of historic resources. Benefits include:

- Official recognition that a property is significant to the nation, the state, or the local community.
- Eligibility to apply for the state homeowner tax credit and/or the state and federal commercial historic rehabilitation tax credits.
- Eligibility (not-for-profit organizations and municipalities only) to apply for New York State historic preservation grants. Other grants, also requiring listing, may be available through other public and private sources.
- Properties that meet the criteria for registers listing receive a measure of protection from state and federal undertakings regardless of their listing status. State and federal agencies must consult with the SHPO to avoid, minimize, or mitigate adverse effects to listed or eligible properties.

Will State and National Registers listing restrict the use of a property? If you are not using federal or state funds to complete your project (e.g. a grant or tax credit, CD funds, a Main Street Grant) and you do not require a state or federal permit to undertake it (e.g. DEC permit), you are free to remodel, alter, paint, manage, subdivide, sell, or even demolish a National or State Register listed property (as long as you comply with local zoning). If state or federal funds are used or if a state or federal permit is required, proposed alterations may be reviewed by SHPO staff if the property is either listed or determined eligible for listing.

What kinds of properties can be included in the registers? Buildings and structures such as residences, churches, commercial buildings and bridges; sites such as cemeteries, landscapes and archaeological sites; districts, including groups of buildings, structures or sites that are significant as a whole, such as farmsteads, residential neighborhoods, industrial complexes and cultural landscapes; and objects, such as fountains and monuments.

What is a historic district? A historic district is a group of buildings, structures, and sites that are significant for their historical and physical relationships to each other. Properties in districts are not usually significant individually but gain meaning from their proximity and association with each other. A district may include any number of properties.

What is the process for listing a property on the registers? To begin, an application must be submitted to the State Historic Preservation Office (SHPO) for evaluation. If the property is determined eligible for listing, the nomination sponsor is responsible for providing documentation that describes the property's setting and physical characteristics, documents its history, conveys its significance in terms of its historic context, and demonstrates how it meets the register criteria. The New York State Board for Historic Preservation reviews completed nominations. If the board recommends the nomination, the New York State Historic Preservation Officer (Commissioner of the Office of Parks, Recreation and Historic Preservation) lists the property on the State Register and forwards it to the National Park Service for review and listing on the National Register.

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NATIONAL REGISTER CRITERIA FOR EVALUATION

The following criteria are used to evaluate properties for listing on the National and State Registers of Historic Places. The quality of significance in American history, architecture, archaeology, engineering, and culture is present in districts, sites, buildings, structures and objects that possess integrity of location, design, setting, materials, workmanship, feeling and association and

Criterion A: that are associated with events that have made a significant contribution to the broad patterns of our history; or

Criterion B: that are associated with the lives of persons significant in our past; or

Criterion C: that embody the distinctive characteristics of a type, period, or method of construction or that represent the work of a master, or that possess high artistic values, or that represent a significant distinguishable entity whose components may lack individual distinction; or

Criterion D: that have yielded, or may be likely to yield, information important in prehistory or history.

Ordinarily cemeteries, birthplaces, or graves of historical figures, properties owned by religious institutions or used for religious purposes, structures that have been moved from their original locations, reconstructed historic buildings, properties primarily commemorative in nature, and properties that have achieved significance within the past 50 years shall not be considered eligible for the State and National Registers. However, such properties will qualify if they are integral parts of districts that do meet the criteria or if they fall within the following categories:

A. a religious property deriving primary significance from architectural or artistic distinction or historical importance; or

B. a building or structure removed from its original location but which is significant primarily for architectural value, or which is the surviving structure most importantly associated with a historic person or event; or

C. a birthplace or grave of a historical figure of outstanding importance if there is no other appropriate site or building directly associated with his productive life; or

D. a cemetery that derives its primary significance from graves of persons of transcendent importance, from age, from distinctive design features, or from association with historic events; or

E. a reconstructed building when accurately executed in a suitable environment and presented as part of a restoration master plan, and when no other building or structure with the same association has survived; or

F. a property primarily commemorative in intent if design, age, tradition, or symbolic value has invested it with its own historical significance; or

G. a property achieving significance within the past 50 years if it is of exceptional importance.

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