



California State Historic Rehabilitation Tax Credits

FACT SHEET

Goals

- Adoption of a California State Historic Rehabilitation Tax Credit for both income-producing and owner-occupied residential properties listed in the National or California Register.
- Promote economic revitalization, sustainability, and historic preservation.

Economics

The use of the Federal Historic Preservation 20% Tax Credit in California over the last 10 years generated over one billion dollars (\$1,477,672,334.00) in certified expenses. Project costs have varied from \$69,474 (a rental property in Chico) to \$97,700,000 (The Ferry Building in San Francisco).

As an economic stimulus, a state program would stimulate the local economy through job creation, state tax revenues, heritage tourism, and an increase of property values which over time more than pay for the initial and one time economic loss of the initial tax credit.

Purpose

- Encourage public and private investment in historic urban and rural communities across California.
- Encourage reinvestment in historic residential neighborhoods and commercial districts.
- Promote long term economic growth through sustainable development practices in disinvested and underserved areas.

Historic State Tax Credits Nationwide

32 States have Rehabilitation Tax Credits.

Key ingredients of the proposed state historic tax credit include a clear definition of eligible buildings, the use of the Secretary of the Interiors' Standards for Rehabilitation as the review criteria, the use of the credit for owner-occupied residences as well as commercial properties, transferability of the credit, the avoidance of any caps, and appropriate fees to offset the program costs.