

NEW YORK STATE

New York State Historic Homeownership Rehabilitation Credit



New York State
Parks, Recreation and
Historic Preservation



Learn more online at
parks.ny.gov/shpo

What is the New York State Historic Preservation Office? (SHPO)



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SHPO offers programs and services that help individuals and communities achieve the social, economic, and environmental benefits associated with historic preservation.

Overview:

20% Homeowner Tax Credit Program

The Homeowner Credit Program will cover 20% of Qualified Rehabilitation Costs for Repairs and upgrades to your historic home.

- A **tax credit** is a dollar-for-dollar reduction of the NYS income tax that you owe.
- If your adjusted gross income is below \$60,000/year, the credit is taken as a **refund**.



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Overview:

Who and what buildings are eligible for the credit?

- The credit is for New York State taxpayers.
- Buildings must be listed in the *State and National Register of Historic Places* (Individually or contributing to a Historic District).
- Buildings must also be located in a **Qualifying Census Tract**.



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Overview:

What is the spending threshold for the credit program?

- You must spend at least **\$5,000** on qualified projects.
- **5% of your total project** must be on the **exterior** of the building.
- There is a limit of **\$50,000** in credits per project/person/year (**20% of a \$250,000 project**).



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Overview:

Is there an application for the credit program?

- **Yes.** The application has three parts – Parts 1 & 2 are submitted together and can be done so online or via USPS.
- All work must be **pre-approved** by SHPO staff before your project begins. We are unable to credit projects retroactively.
- There is a **review fee** for applications.
- You do not need to take the credit in the same year you apply for the program, however you **can apply** every year if you meet the threshold requirements.



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Overview:

Typical Work that Qualifies

- Window Repair/Replacement
- Interior Work Items
- Mechanical Systems
- Structural Systems
- Roofs
- Exterior Walls
- Porches



Examples include: Foundation repair, floor joists, ceiling/attic rafters, soffits, gutters, exterior paint, brickwork, stone repair, floors, walls, ceilings, stairs, trim, interior paint, heating, ventilation, electrical, plumbing, insulation, weatherproofing



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Other Considerations:

Installing Solar Panels on Historic Properties

- Solar panels **should not** be visible from a principle elevation, or, where the public can generally see them.
- **Eligible expenses** for solar projects include modules/panels, inverters, powerhouses, mounting, etc.
- Roofing upgrades and electrical system upgrades **also qualify**.
- Solar panels **can** be placed offsite, such as on a garage or shed or mounted on the ground.



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Other Considerations:

Typical work that does NOT qualify

- Landscaping
- Fencing
- Additions – adding square footage to the property
- Work performed outside the main footprint of the dwelling (ex., detached garages or carriage houses)
- Work that **does not meet** the Secretary of the Interior's Standards



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What if I have a Rental Unit in my House?



If the property is also your primary residence, you may apply with a few simple calculations:

- Please state what **percentage** of the property **you occupy** (ex., 50/50, 75/25, etc.)
- Prepare a **scope of work** that does not include interior work items for rental spaces.
- 100% of interior work in your **direct living space** will qualify. Exterior work items and shared spaces are prorated according to the percentage of the property you occupy.
- **SHPO staff are available to help!**



How do I apply for the program?

The entire application process is now available online!

- Head to parks.ny.gov/shop/tax-credit-programs to use our online application portal, or download the forms to submit a hard-copy application.
- Do not hesitate to **reach out to the staff** person assigned to your county with questions.
- Be prepared to **upload photographs** with your application – cell phone pictures are acceptable!
- There is a **review fee** if your adjusted gross income is above \$60,000.

Instructions & Application Forms

Submit your Historic Homeownership Rehabilitation Credit Application Online

You can now submit all parts of your Historic Homeownership Rehabilitation Credit Application and pay the review fees online via DocuSign. We strongly recommend that you review the general [Application Instructions](#) and the below Submission Guidance before beginning any part of your application. The online application allows you to attach your supporting documentation and photos, enter payment information, and provide a secure signature. Your application will be submitted to the Division for Historic Preservation for processing and review, and you will be notified by email when it is complete.

 [Part 1&2 Online Submission Guidance \(pdf\)](#)

 [Sample Part 1&2 Application \(pdf\)](#)

 [Extra Part 2 Worksheets \(pdf\)](#)

[SUBMIT PART 1 & 2 APPLICATION](#)

 [Amendment Application Guidance \(pdf\)](#)

 [Sample Amendment Application \(pdf\)](#)

[SUBMIT AMENDMENT APPLICATION](#)

 [Part 3 Online Submission Guidance \(pdf\)](#)

 [Sample Part 3 Application \(pdf\)](#)

 [Extra Part 3 Worksheets \(pdf\)](#)

[SUBMIT PART 3 APPLICATION](#)



Description of Rehabilitation

- Please provide a **narrative description** of the existing condition, the **work** you are proposing, and an **estimated project cost**.
- Formal **estimates** (from contractors) are not required for Part 1 & 2. Product replacement specifications (ex., window drawings) are required.
- **Photographs** are required for all applications, including an overall view of the house from the exterior.
- You may submit an **amendment** at any time if something changes with your project after your Part 1 & 2 is approved.

Work Proposed	Existing Condition	Proposed	Estimated Cost
1. Roofing	Worn out and presently leaking asphalt shingle roof.	Asphalt shingle roof, tear off and replacing with an asphalt shingle roof. Install ice shield with closed cut valleys.	\$14,000
2. Chimney	Loose mortar; old mortar	New mortar will match the historic mortar in all qualities, including strength, color, texture and tooling. Install ridge ventilation system; install flashing on to chimney edges.	\$1,000.
3. Painting	Paint is chipped in many areas of the exterior of house, especially in rear.	Paint complete exterior of house - front, sides and rear; upper & lower; possible replacement of wood around rear window.	\$4000.
4. Dry wall & paint	Water damage in walk-in closet. Water damage in ceiling corner of dining room.	Dry wall and paint closet. Dry wall and paint ceiling corner of dining room.	\$1000.

The Part 1 & 2 Application was approved...

Then what?

- Once your proposed work (Part 1 & 2 application) is **approved**, you may begin your project.
- Keep in mind that SHPO **may issue a special condition** for approval that you should share with your contractor and be mindful of. This may be about an appropriate treatment.
- **Keep all records and receipts**, but you do not need to submit receipts to SHPO.
- Please **contact SHPO** with any **concerns** or **questions** that may arise during your project progression.



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Once your project is complete...

Completing the Part 3 Application

- A Part 3 Certificate of Completion application **must be submitted** to SHPO once your project is complete if you wish to **claim the credit**.
- **Record** the costs of each project and **pay** the application fee. The fee (if applicable) is based on the total cost of the project.
- Please file a Part 3 **by December 31st** in the year in which you wish to claim the credit. SHPO cannot issue Part 3s for the previous tax year once the new year arrives.



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What else should I be concerned with?

Leading causes of denials

- Completing work that **does not meet** the Standards.
- Applying for projects that have **already been completed**.
- **Obliterating** historic features, finishes, and floorplans.
- Using **inappropriate** replacement materials (ex., vinyl windows).
- **If you are concerned about an approval or work item, please contact your SHPO representative – staff are happy to assist in creating a successful application.**



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Preservation Tax Credits for Income-Producing Properties

$$20\% + 20\%-30\%^* = 40\%-50\%^*$$

FEDERAL
Commercial Rehabilitation
Tax Credit

NEW YORK STATE
Commercial Rehabilitation
Tax Credit

Investment Tax Credit for
Historic Commercial Properties



**If your investment
is under \$2.5m,
the NYS credit will be 30%*



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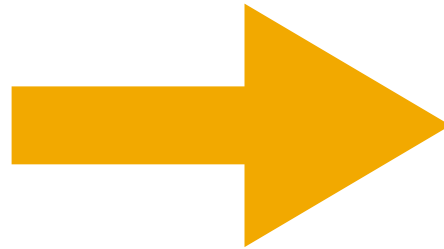




Preservation Partnership Program



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Department of the Treasury
Internal Revenue Service



- For **commercial, industrial, agricultural or rental residential** properties
- Tax credit is a **dollar-for-dollar reduction** in state and federal tax liability
- **Single review process** for federal and state credits



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State Historic Preservation Office

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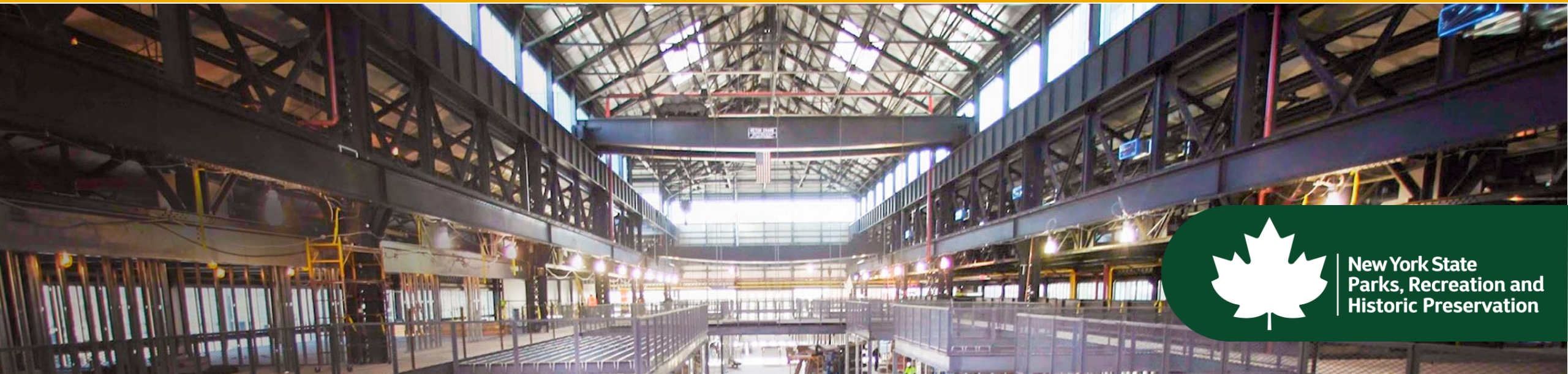
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