**HOW CAN THE TAX CREDITS HELP ME?**

Historic preservation tax credits lower your tax bill, which can increase your tax refund.

Colorado’s 2014 state historic preservation tax credits for commercial properties are transferable; you can sell them upon completion of your project. Selling credits can bring in additional funds for your project, for a cash match for a grant, or for a loan.

**WHEN CAN I APPLY?**

Applications for the commercial state preservation tax credit are accepted on a year-round rolling basis.

**WHAT TYPE OF PROPERTY IS ELIGIBLE?**

<table>
<thead>
<tr>
<th>Property must be:</th>
<th>2014 state tax credit for commercial properties</th>
<th>2014 state tax credit for residential properties</th>
<th>1990 state tax credit*</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>» At least 50 years old</td>
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<td>» Locally landmarked or listed on the State Register</td>
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<td>» Income-producing</td>
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*Applicants may apply for the 1990 tax credits in lieu of the new credit. Both cannot be used for the same project.

**HOW DO I RESERVE A 2014 TAX CREDIT?**

1. Register with the Colorado Office of Economic Development and International Trade on their tax credit website.
2. Submit a Tax Credit Application (TCA) and rehab plan. Use OEDIT’s project checklist to make sure you’ve turned in all requested materials, such as photographs and drawings.
3. History Colorado and OEDIT will conduct a preliminary review of project materials and respond to your request.
4. If the project materials you submit meet the requirements, OEDIT will reserve a preliminary tax credit on your behalf, pending available funding.
5. History Colorado will conduct a detailed review and ensure your project follows the Standards for Rehabilitation. Upon History Colorado’s approval of project, OEDIT will officially reserve the tax credits for the applicant (90 days).
6. You will claim your tax credit upon completion of your project and approved proof of rehabilitation.

All applications are reserved on a first-come, first-served basis. www.historycolorado.org/preservation-tax-credits

For the 1990 tax credit application process, see the Residential Tax Credit information sheet.

**Expenditures**

- Estimated rehab expenditures of $2 million or less: $5 million
- Estimated rehab expenditures over $2 million: $5 million

» Each building is limited to $1 million in credit in any one calendar year. Owners may apply for credits on multiple properties.
### Eligible Properties
- More than 50 years old
- Listed on State Register of Historic Properties or landmarked by a Certified Local Government (CLG)
- Costs must exceed adjusted basis (25% of the purchase price minus current value of land)

### Eligible Applicants
- Property Owner
- Tenant with lease of at least 39 years in urban areas or at least 5 years in rural areas

### Eligible Projects
- Costs must exceed adjusted basis
- Project must meet the Secretary of the Interior’s Standards
- Project must be completed within 24 months (or 48 with a one-time extension)

### Project Cap
- The maximum amount of tax credit available to any commercial property is $1 million per year

### Extent of Tax Savings
- 25% of Qualified Rehabilitation Expenditures (QREs) for projects $2 million or less;
- 20% of QREs for projects more than $2 million

### Disasters Relief
- Additional 5% credit for properties located in areas that have been designated as disaster areas within past 6 years

### Project Completion
- Application must be submitted within 60 days of project completion

### Credit Length
- Can be used for up to 10 years

### Allowable Costs
- Any expenditures allowed by federal tax credit (IRS code 47(c)(1)(A))
- $500 Part 1 fee
- Issuance fee of 3% of tax credit amount

### Fees
- $500 Part 1 fee (may be waived for projects under $1,000)
- $500 Part 2 fee
- $0-$750 Part 2 fee

### Recapture
- No recapture of credits
- Recapture if sold credits are used in additional expenditures under the OEDIT website

### Credit availability
- Subject to yearly budget estimates

### Credit Transferability & Saleability
- Owners, including nonprofit organizations, may sell transferable credits to other taxpayers; these other taxpayers may in turn sell the credits to additional taxpayers using the OEDIT website

### Learn more:
- https://www.historycolorado.org/preservation-tax-credits
- Apply here: https://choosecolorado.com/doing-business/incentives-financing/the-commercial-historic-preservation-tax-credit

### May 2018