

Historic Preservation Tax Incentives

Several economic incentives for historic preservation are outlined below. If a property is listed in the National Register of Historic Places (NRHP) individually or as a contributing structure to a Historic District, it is eligible for Federal and State tax incentives. These incentives require that the preservation project follow the Secretary of the Interior's Standards for Rehabilitation and are reviewed by the Historic Preservation Division (HPD) of the Georgia Department of Natural Resources (DNR). More information about this program can be found on their [website](#).

1. Federal 20% Rehabilitation Tax Credit. Applies to certified historic structures (i.e. listed on the NRHP individually or as part of a district) for a certified rehabilitation through the State Historic Preservation Office (SHPO), in this case HPD. A 20% tax credit is available for income producing properties (i.e. commercial, industrial, agricultural, or rental residential). The tax credit equals 20% of the amount spent in the certified rehabilitation.*

2. 20% Georgia State Tax Credit. The Georgia State Income Tax Credit Program for Rehabilitated Historic Property allows eligible participants to apply for a state income tax credit equal to 10%, 15%, or 20% of rehabilitation cost up to \$5,000, depending on the building type and use. The building must be determined eligible or listed in the NRHP. There are no requirements that structure be an income producing property.

3. Georgia State Property Tax Freeze. The Georgia Preferential Property Tax Assessment Program for Rehabilitated Historic Property allows eligible participants to apply for an 8-year property tax assessment freeze. The tax freeze will allow the property tax to remain at its pre-rehab value for 8 years.

*The 20% tax credit available for a certified rehabilitation cannot be applied to acquisition costs, increasing the square footage/additions, parking, signs, demo work, cabinets, carpeting, and landscaping. It can be applied to soft costs including architect fees, construction costs, preservation consultants, developer fees, engineering fees, and anything related to the operation or maintenance of the building and structural components (walls, ceilings, tile work, windows, doors, plumbing, electrical, sprinklers, etc.).