

WHAT TYPES OF FINANCIAL INCENTIVES ARE AVAILABLE ?

Common incentives for rehabilitation are Tax Moratoriums and Tax Credits. More and more businesses are realizing that rehabilitation of older structures is a benefit to their city, environmentally responsible and often less expensive than new construction. Financial incentives, such as a Tax Credit, helps adaptive reuse of older buildings make even more sense. In addition to the information listed here, businesses should also look into incentives that may not be preservation specific but available for rehabilitation. A few are listed in the publication, *Financial Incentives for Historic Preservation & Restoration*, available online at www.warrenpc.org/historicpreservationbaoard.htm.

Would you like to receive the Historic Preservation Board's monthly emailed newsletter?

It is a timely way to find out about local and national preservation news. Articles include information about new grants available, homeowner hints, local events, and more.

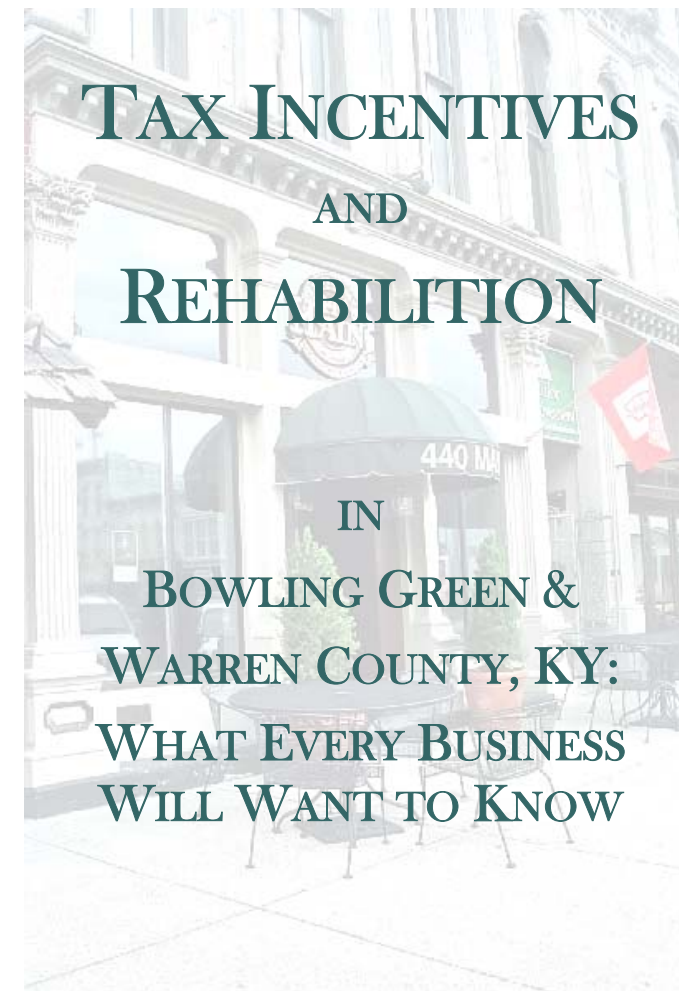
We know you are busy, so the e-newsletter is sent without attachments or formatting that could slow down your computer. All articles are headlined at the top so you know instantly if there is something of interest to you.

To receive "Historic Preservation Board Online" email zeigr91@bgky.org and request to be added to the list.



Preserving the Past, Building the Future

Photographs by Lauren Cohen and logo design by Cathleen Munisteri.



Presented by
**The Bowling Green-Warren County
Historic Preservation Board**

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BOWLING GREEN TAX MORATORIUM

The Tax Moratorium provides tax abatement to owners of rehabilitated residential or commercial properties located within the Bowling Green city limits. This incentive is in the form of a five-year tax moratorium on city real estate taxes on the rehabilitated portion of the property.

Any individual, group or corporation with a structure 50 years or older is eligible. The application must be submitted before work begins. There is a \$25 application fee. Applicant has two years to complete the work. Application available online at the above web address.



HISTORIC REHABILITATION TAX CREDIT

The Federal Historic Tax Credit is equal to 20% of the cost of rehabilitating certified historic buildings or 10% of the cost of the rehabilitation of a nonhistoric building.

Follows are a few points to consider when determining if the Federal Historic Tax Credit will benefit your project.

- The property must be income generating.
- Project must be a substantial rehab. Expenditures must exceed the greater of the adjusted basis of a building or \$5,000, during any 24-month period.
- The work done to an historic building must meet the Secretary of Interior's Standards to remain eligible for the 20% tax credit.
- Many projects are accomplished with limited partnerships where an investor provides capital in exchange for the tax credit. All members of the partnership must

remain owners of the property for at least five years.

For more information about the Tax Credit, visit www2.cr.nps.gov/tps/tax/ or contact the Historic Preservation Board at 270-842-1953.

NEW MARKET TAX CREDIT

This is a 39% tax credit created by Congress as part of the Community Renewal Tax Relief Act of 2000. It is designed to stimulate investment in low-income communities by providing a tax credit to investors that invest in equity and loan funds which focus on commercial activity in low-income neighborhoods. (Residential real estate, defined as "any building or structure if 80 percent or more of the gross rental income is rental from dwelling units, does not qualify.)

For more information contact Renaissance Kentucky at 502-564-7630 x 305 or 800-633-8896 (KY only).