

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H.B. 399
Mar 20, 2019
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH30183-MCf-87

Short Title: Disaster Area Bldg Rehab Tax Credit Bonus. (Public)

Sponsors: Representatives Ross, Bell, Warren, and Adams (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCENTIVIZE THE REHABILITATION OF BUILDINGS IN DISASTER
3 AREAS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-129.105 reads as rewritten:

6 "Article 3L.

7 "Historic Rehabilitation Tax Credits Investment Program.

8 "§ 105-129.105. Credit for rehabilitating income-producing historic structure.

9 (a) Credit. – A taxpayer who is allowed a federal income tax credit under section 47 of
10 the Code for making qualified rehabilitation expenditures for a certified historic structure located
11 in this State is allowed a credit equal to the sum of the following:

12 (1) Base amount. – The percentage of qualified rehabilitation expenditures at the
13 levels provided in the table below:

14 Expenses

15 Over

Up To

Rate

16 0

\$10-\$15 million

15.00%

17 \$10-\$15 million

\$20-\$25 million

10.00%

18 (2) Development tier bonus. – An amount equal to five percent (5%) of qualified
19 rehabilitation expenditures not exceeding ~~twenty~~twenty-five million dollars
20 ~~(\$20,000,000)~~(\$25,000,000) if the certified historic structure is located in a
21 development tier one or two area.

22 (3) Targeted investment bonus. – An amount equal to five percent (5%) of
23 qualified rehabilitation expenditures not exceeding ~~twenty~~twenty-five million
24 dollars ~~(\$20,000,000)~~(\$25,000,000) if the certified historic structure is
25 located on an eligible targeted investment site.

26 (4) Disaster relief bonus. – An amount equal to five percent (5%) of qualified
27 rehabilitation expenses not exceeding twenty-five million dollars
28 (\$25,000,000) if all of the following requirements are met:

29 a. The certified historic structure is located in a disaster area.

30 b. The qualified rehabilitation expenditure is incurred no more than five
31 years after the onset of the natural disaster resulting in the area being
32 declared a disaster area.

33 ...

34 (c) Definitions. – The following definitions apply in this section:

35 ...



* D R H 3 0 1 8 3 - M C F - 8 7 *

1 (2a) Disaster area. – Any county that is the subject of a Type II or Type III
2 gubernatorial disaster declaration, as provided in G.S. 166A-19.21, as a result
3 of a natural disaster.

4 "

5 **SECTION 2.** G.S. 105-129.110 reads as rewritten:

6 "**§ 105-129.110. Sunset.**

7 This Article expires for qualified rehabilitation expenditures and rehabilitation expenses
8 incurred on or after January 1, ~~2020~~2030. For qualified rehabilitation expenditures and
9 rehabilitation expenses incurred prior to January 1, ~~2020~~2030, this Article expires for property
10 not placed in service by January 1, ~~2028~~2038."

11 **SECTION 3.** Section 1 of this act is effective for taxable years beginning on or after
12 January 1, 2019. The remainder of this act is effective when it becomes law.