

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 399

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

Sponsors: Representatives Ross, Bell, Warren, and Adams (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Commerce, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

March 21, 2019

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	16 Up To	17 Rate
18 0	19 \$10-\$15 million	20 15.00%
21 \$10-\$15 million	22 \$20-\$25 million	23 10.00%

24 (2) Development tier bonus. – An amount equal to five percent (5%) of qualified
25 rehabilitation expenditures not exceeding ~~twenty~~ twenty-five million dollars
26 ~~(\$20,000,000)~~ (\$25,000,000) if the certified historic structure is located in a
27 development tier one or two area.

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

32 (4) Disaster relief bonus. – An amount equal to five percent (5%) of qualified
33 rehabilitation expenses not exceeding twenty-five million dollars
34 (\$25,000,000) if all of the following requirements are met:

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

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

39 ...

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



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

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

7 **"§ 105-129.110. Sunset.**

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

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