

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

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**HOUSE BILL 70
Committee Substitute Favorable 3/18/21**

Short Title: Historic School Preservation Act.

(Public)

Sponsors:

Referred to:

February 11, 2021

A BILL TO BE ENTITLED
AN ACT TO INCENTIVIZE THE REHABILITATION OF HISTORIC EDUCATIONAL
BUILDINGS TO ALLOW THOSE BUILDINGS TO CONTINUE TO SERVE
EDUCATIONAL PURPOSES.

The General Assembly of North Carolina enacts:

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

"Article 3L.

"Historic Rehabilitation Tax Credits Investment Program.

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

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

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

Expenses

Over

Up To

Rate

0

\$10 million

15.00%

\$10 million

\$20 million

10.00%

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

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

(4) Education bonus. – An amount equal to five percent (5%) of qualified rehabilitation expenditures not exceeding twenty million dollars (\$20,000,000) if the certified historic structure was originally used for an educational purpose, is used for an educational purpose following the rehabilitation, and remains used for an educational purpose for each year in which the credit, or a carryforward of the credit, is claimed. For a certified historic structure used for multiple purposes, the bonus provided in this subdivision shall be proportionate to the area of the certified historic structure used for an educational purpose.

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

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(2a) Educational purpose. – A purpose that has as its objective the education or instruction of human beings; it comprehends the transmission of information and the training or development of the knowledge or skills of individual persons.

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SECTION 2. This act is effective for taxable years beginning on or after January 1,

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2021.