

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

H.B. 949  
May 11, 2021  
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40604-MCf-182

Short Title: Rehabilitation Tax Incentive. (Public)

Sponsors: Representative Riddell.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXTEND BY THREE YEARS THE HISTORIC REHABILITATION TAX  
3 CREDITS INVESTMENT PROGRAM.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-129.71(a1) reads as rewritten:

6 "(a1) Credit for Rehabilitated Railroad Station. – A taxpayer who is allowed a credit under  
7 section 47 of the Code for making qualified rehabilitation expenditures of at least ten million  
8 dollars (\$10,000,000) with respect to a certified rehabilitation of an eligible railroad station is  
9 allowed a credit equal to a percentage of the expenditures that qualify for the federal credit. In  
10 order to be eligible for a credit allowed by this Article, the taxpayer must provide to the Secretary  
11 a copy of the eligibility certification and the cost certification. The amount of the credit is equal  
12 to forty percent (40%) of the qualified rehabilitation expenditures. The credit cannot be claimed  
13 for a taxable year beginning prior to January 1, 2021. ~~The tax credit must be taken in two equal~~  
14 ~~installments on returns filed for taxable years 2021 and 2022. The sum of the two installments is~~  
15 ~~equal to the credit amount allowed for qualified rehabilitation expenditures incurred in taxable~~  
16 ~~years 2019, 2020, and 2021.~~ When the eligible site is placed into service in two or more phases  
17 in different years, the amount of credit that may be claimed in a year is the amount based on the  
18 qualified rehabilitation expenditures associated with the phase placed into service during that  
19 year.

20 For purposes of this subsection, the term "eligible railroad station" is a site located in this  
21 State that satisfies all of the following conditions:

- 22 (1) It was used as a manufacturing facility and either (i) was used as a railroad  
23 station or (ii) is located adjacent to a site that is or was used as a railroad  
24 station.
- 25 (2) It is a certified historic structure or a State-certified historic structure.
- 26 (3) It has been at least eighty percent (80%) vacant for a period of at least two  
27 years immediately preceding the date the eligibility certification is made.
- 28 (4) It is a designated local landmark as certified by a city on or before ~~June 30,~~  
29 ~~2019.~~ September 1, 2020.
- 30 (5) It is located in a development tier one or tier two area, determined as of the  
31 date of the eligibility certification.
- 32 (6) It is located in a designated qualified opportunity zone under sections 1400Z-1  
33 and 1400Z-2 of the Code, determined as of the date of the eligibility  
34 certification.
- 35 (7) It is issued a certificate of occupancy on or before December 31, ~~2021.~~ 2023.

36 **SECTION 2.** G.S. 105-129.75 reads as rewritten:



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1 **"§ 105-129.75. Sunset and applicable expenditures.**

2 (a) Sunset. – Except for credits allowed under G.S. 105-129.71(a1), this Article expires  
3 January 1, 2015, for rehabilitation projects for which an application for an eligibility certification  
4 is submitted on or after that date. Eligibility certifications under this Article expire January 1,  
5 ~~2023-2025.~~

6 (b) Delayed Sunset and Applicable Expenditures. – For credits allowed under  
7 G.S. 105-129.71(a1), the following applies:

8 (1) The qualified rehabilitation expenditures must be incurred on or after January  
9 1, 2019, and before January 1, ~~2022-2024.~~

10 (2) This Article expires, and a tax credit allowed under G.S. 105-127.71(a1) may  
11 not be claimed, for rehabilitation projects not completed and placed in service  
12 prior to January 1, ~~2022-2025.~~"

13 **SECTION 3.** G.S. 105-129.110 reads as rewritten:

14 **"§ 105-129.110. Sunset.**

15 This Article expires for qualified rehabilitation expenditures and rehabilitation expenses  
16 incurred on or after January 1, ~~2024-2027.~~ For qualified rehabilitation expenditures and  
17 rehabilitation expenses incurred prior to January 1, ~~2024-2027,~~ this Article expires for property  
18 not placed in service by January 1, ~~2032-2035.~~"

19 **SECTION 4.** This act is effective when it becomes law.