

Support the Historic Tax Credit



The Historic Tax Credit (HTC) is a proven incentive for revitalizing historic properties and supporting economic development. The HTC is a 20% income tax credit applied to qualified rehabilitation expenses for income-producing and certified historic structures, distributed over 5 years (4% per year). The credit generates new economic activity by incentivizing the creation of public-private partnerships to preserve historic community assets that support business development and local job creation. According to the latest National Park Service HTC Impact Report (2024), the HTC has encouraged the rehabilitation of over 50,000 historic buildings and has created nearly 3 million jobs. The HTC is the federal government's most significant financial tool for preserving historic buildings.



The Michigan Central Station in Detroit, Michigan, utilized the Historic Tax Credit program to transform the 1913 building into a vibrant mixed use space offering retail, offices, and public areas.

PHOTO COURTESY QUINN EVANS.

The Historic Tax Credit Growth and Opportunity Act (H.R. 2941/S. 1459)

Historic Tax Credit Growth and Opportunity Act (HTC-GO) was introduced in 2025 by Sen. Cassidy (R-LA) and Sen. Warner (D-VA) in the Senate (S. 1459) and by Reps. LaHood (R-IL) and Suozzi (D-NY) in the House.

- Returns to a 1-year delivery of Historic Tax Credits for all projects
- Lowers the Substantial Rehab Test from 100% to 50% of a building's basis
- Eliminates the HTC Basis Adjustment Requirement making it much easier to pair with the federal Low-Income Housing Tax Credit
- Makes the HTC easier to use by nonprofits such as community health centers, local arts centers, affordable housing, homeless services, museums, theaters, and others by eliminating tax code restrictions that make it challenging for nonprofits to partner with developers.
- Increases the credit for smaller projects. Projects below \$3.75 million will receive a 30% credit. Rural projects below \$5 million will receive a 30% credit.

The Federal Historic
Tax Credit: A Record
of Success

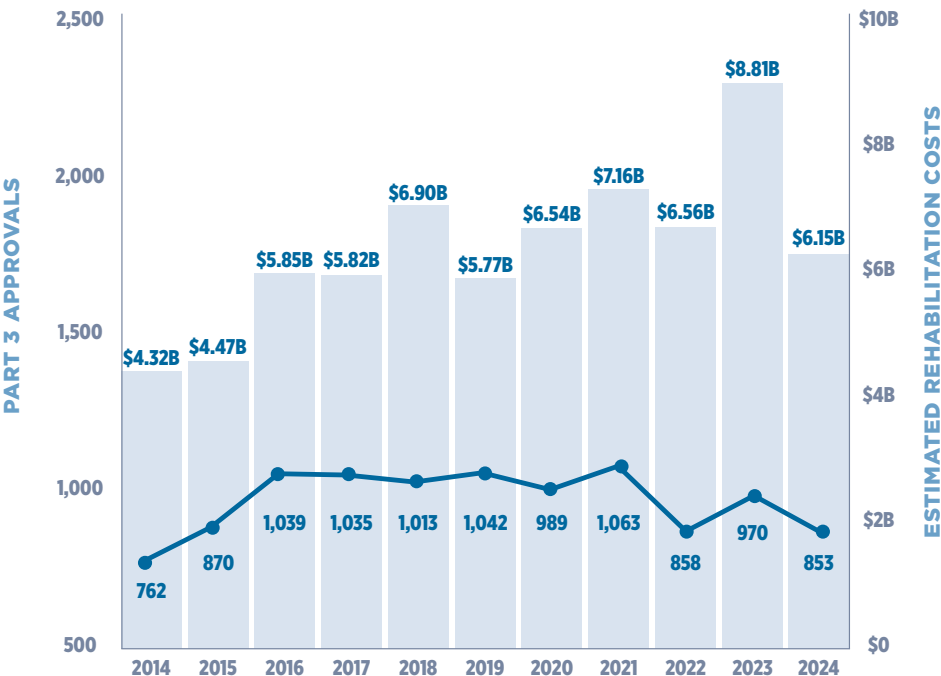
The HTC has encouraged approximately \$191 billion in private investment since inception to revitalize often vacant and underutilized properties that have a financing gap between what banks will lend and what the project will cost. According to the National Park Service’s HTC Impact Report (2024), the HTC has contributed to the rehabilitation of 50,000 historic buildings, created over 3 million jobs, and produced over 205,000 low- and moderate-income affordable housing units. The NPS 2021 study concluded

that the HTC returns more to the Treasury than it costs. The HTC has generated \$42.9 billion in federal tax revenue from the \$37.6 billion in federal tax credits.

The credit is used in both larger urban areas and smaller towns. For most years, around 40% of all HTC projects are located in communities with less than 100,000 people, and nearly half of all HTC projects are smaller projects that have less than \$1 million in rehabilitation development costs. During any given year, close to half of all HTC projects are located in predominantly minority census tracts, and more than 75% of projects occur in economically distressed areas.

Enacting provisions included in the Historic Tax Credit Growth and Opportunity Act (H.R. 2941/ S. 1459) will provide a much-needed update to the incentive, increase the value investors attribute to the credit, and expand their applicability in harder-to-reach markets. The HTC has a demonstrated history of successfully promoting historic preservation projects throughout the country. It is time to update this proven incentive to better support the housing needs and revitalization efforts of our communities. Co-sponsor the Historic Tax Credit Growth and Opportunity Act today!

HTC Spending Declines in FY 2024



SOURCE: NATIONAL PARK SERVICE; NOVOGRADAC, INC



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