INTRODUCTION
The North Carolina Historic Rehabilitation Tax Credit (HTC) program, enacted in 1997, provided a 30% credit for historic homeowners and 20% for income-producing properties, which could be used in addition to the Federal tax credits, providing large tax incentives to owners of historic properties. While the tax credit came at a cost to the state, the HTC program increased local property values, provided jobs and embraced the historical heritage of North Carolina. Yet in 2013, the North Carolina General Assembly decided that the current tax credit was not consistent with the state’s new tax reform plan and set the credit to expire in 2015.

What was the impact of the NC Historic Rehabilitation Tax Credit? Should the state restore the HTC program?

Ethical Tensions:
• Do rural counties benefit less than more urban counties?
• Should taxpayer money be used to subsidize renovations of incoming-producing properties?
• What part should the local government play in funding historic rehabilitation projects?
• Are large developers given an unfair advantage compared to individual homeowners?

ECONOMIC IMPACT
• Cost of the HTC program is only 0.14% of the state’s proposed budget
• Since 1998, over 2,400 historic tax credit projects have been completed statewide, creating nearly $1.5 billion in private investment
• Increases local property values
• Provides jobs during the construction phase
• Encourages investment in critical infrastructure
• Contributes an annual average of $124.5 million to state GDP
• Generates tax revenue through sales taxes, increased property taxes, and income tax from new jobs
• Contributes to increase in local tourism

ECONOMIC IMPACT

PROPERTY TAX VALUATION

SOCIAL IMPACT

ACKNOWLEDGEMENTS
Sources:
• The Historic Preservation Foundation of North Carolina
• LEAD
• NC State Historic Preservation Office
• Preservation North Carolina
• JD News
• The News & Observer
• North Carolina General Assembly

Special Thanks:
• Professor Ken Rogerson
• Bass Connections
• Mindy McTeigue

A Visual History of Restoration Policy

Mount Airy, Surry County, NC
Douglas Block, Rocky Mount, NC
Golden Belt Mill, Durham, NC
516 E. Jones Street, Raleigh, NC

Before After

Before After

Before After

Before After

Before After

500
5,000

Petition Hits 5,000

500

Petition Hits 5,000

Property Tax Valuation:

Wake Forest BioTech Place

Wilkes Hosiery Mill

An increase in property tax valuation generates local property tax revenue, transforms surrounding areas, and elevates the community as a whole.

59.4 Million

3.9 Million

75 Thousand

8 Million


$