

**PROGRAM:** State Income Tax Incentive Program (For Historic Preservation) **General Incentive**

**AGENCY:** State Historic Preservation Division, Department of Cultural Affairs

**ELIGIBILITY:** The state income tax credit is available to owners of historic structures who accomplish qualified, rehabilitation on a structure or stabilization or protection of an archaeological site. Eligible applicants must own or lease a property that is listed on the State Register of Cultural Properties or is a contributing property to a historic district that is listed in the Register. (Contact the Historic Preservation Division in Santa Fe). Eligible uses include work that conforms to the Secretary of the Interior's Standards for Rehabilitation and program regulations **NMAC 4.10.9**. The CPRC must approve the work plan before any construction begins. Typical work items whose costs may be eligible for credit include new roofing or repairing roofing, eaves and fascia, repairing deteriorated woodwork, stabilizing foundation and structural elements, repairing windows, restoring interior and exterior finishes, and repairing or replacing utility services to conform to applicable code requirements.

**STRUCTURE:**

- Each program project carries a maximum of \$50,000, although the project costs may exceed this amount.
- Maximum credit is 50% of eligible costs of the approved rehabilitation or \$25,000 (50% of project maximum) or 5 years of tax liability, whichever is least. The credit is applied against New Mexico income taxes owed in the year the project is completed and the balance may be carried forward for up to four additional years.

**QUALIFICATIONS/CRITERIA:**

- Property must be individually listed in, or contributing to a historic district listed in the State Register of Cultural Properties. The property may be a personal residence, income-producing property (such as an apartment building or office), or an archaeological site.
- The State Cultural Properties Review Committee (CPRC) must approve the proposed rehabilitation work prior to the beginning of the project. The work will conform to the guidelines in the regulation **NMAC 4.10.9** (PDF format) as interpreted by the CPRC. All parts of the project must be described in Part 1 of the application, including those items wherein costs may not be eligible toward credit, e.g. a new addition to the structure.
- The project term expires 24 months from the date of the Part 1 approval. New Part for portions of uncompleted work from previous applications, as long as the project maximum has not been reached.
- The completed project must be documented in Part 2 of the application and presented to the CPRC for certification. Project expenses must be fully documented and submitted the application. Applications available at <http://www.nmhistoricpreservation.org/PROGRAMS/sitcappl.doc> .
- For more information, visit [http://www.nmhistoricpreservation.org/PROGRAMS/creditsloans\\_taxcredits.html#top](http://www.nmhistoricpreservation.org/PROGRAMS/creditsloans_taxcredits.html#top) .
- A full list of the state's programs is available at <http://www.nmhistoricpreservation.org/PROGRAMS/creditsloans.html> .
- For the state "Credit for preservation of cultural property; refund see 7-2-18.2 NMSA,
- Visit the Taxation and Revenue Department homepage at <http://www.state.nm.us/tax/home.htm> or find paperwork and applications at <http://www.state.nm.us/tax/BizPge.htm> .
- Call the office of the Secretary at (505)827-0341.
- Also visit the Historic Preservation division's webpage at <http://www.newmexicoculture.org/historicpreservation.html> .