**Federal Rehabilitation 20% Tax Credit**

**State of NM 50% Tax Credit**

**Eligible Costs:**

* Walls, Partitions, Floors, Ceilings
* Permanent coverings, such as paneling or tiles
* Windows and doors
* Components of central air conditioning or heating systems
* Plumbing and plumbing fixtures
* Electrical wiring and lighting fixtures
* Chimneys
* Stairs
* Escalators, elevators, sprinkler systems, fire escapes
* Other components related to the operation or maintenance of the building

**Expenses that do not qualify for the rehabilitation tax credit:**

* Acquisition costs
* Appliances, Cabinets
* Carpeting (if tacked in place and not glued)
* Decks (not part of original building)
* Demolition costs (removal of a building on property site)
* Fencing
* Feasibility studies, Financing fees
* Furniture, Landscaping
* Leasing Expenses
* Moving (building) costs (if part of acquisitions)
* New construction costs or enlargement costs (increase in total volume)
* Outdoor lighting remote from building
* Parking lot, Paving, Planters
* Porches and Porticos (not part of original building)
* Retaining walls, Sidewalks, Signage
* Storm sewer construction costs
* Window treatments

**Expenses that Qualify for the Rehabilitation Tax Credit:**

Any expenditure for a structural component will qualify for the tax credit. Structural components include walls, partitions, floors, ceilings, permanent coverings (e.g., paneling or tiling), windows and doors, central air conditioning or heating systems, plumbing and plumbing fixtures, electrical wiring and lighting fixtures, chimneys, stairs, escalators, elevators, sprinkling systems, fire escapes, and other components related to the operation or maintenance of the building. Qualifying "Soft Costs" include construction period interest and taxes, architect fees, engineering fees, construction management costs, reasonable developer fees, and any other fees paid that would normally be charged to a capital account.