

FINANCIAL INCENTIVES FOR HISTORIC REHABILITATION

Rehabilitating historic buildings, whether adapting a building to a new use or restoring a building that has fallen into disrepair, can be a rewarding process both personally and financially. The public benefits significantly from revitalized buildings as well as from the tax revenue generated from private investment and the reuse of existing infrastructure. Many stunning development projects have involved tax-advantaged historic rehabilitations using both property tax and federal tax incentives.

WANT MORE INFORMATION?

We are here to help.

Pierce County's Historic Preservation Program
is in the Planning and Land Services Department.

Call 253-798-3683 or 253-798-3736, or go online at:
www.piercecountywa.org/historicpreservation

TAX RELIEF FOR RENOVATING HISTORIC BUILDINGS



LANDMARKS & HISTORIC PRESERVATION COMMISSION

12/11

HISTORIC PRESERVATION

PIERCE COUNTY
LANDMARKS & HISTORIC PRESERVATION
COMMISSION



LOCAL SPECIAL TAX VALUATION PROGRAM

1) WHAT IS IT?

In 1985, the Washington State Legislature passed a law that allows local governments to give tax relief to property owners who renovate historic buildings. The cost of approved restoration expenses can be subtracted from the property tax assessment each year for 10 years, resulting in lower property taxes.

2) HOW DOES IT WORK?

Property owners have up to 2 consecutive years to accumulate project expenses and meet the minimum project cost, which must equal or exceed 25% of the assessed improvement value of the property at the beginning of the 2 year period. These expenses are itemized and submitted to the Pierce County Assessor's Office at the end of the project using an application form available from the County Assessor.

3) WHO QUALIFIES?

Owners of historic buildings who are planning a major renovation and who pay property taxes may benefit from this program. The program includes both private residential projects and commercial projects.

To qualify, a building must be individually listed on the Pierce County Register of Historic Places or be within a local historic district. The work must be approved by the Pierce County Landmarks & Historic Preservation Commission.

Certain expenses, such as overhead, costs attributable to additions, or removable items such as furniture, do not qualify.

Since 1985 over \$100,000 million dollars in projects have been approved.

To download the application form
and read about the program requirements, visit

www.piercecountywa.org/historicpreservation

Cover: Street scene in Buckley, showing the White Front, circa 1940. Tacoma Public Library, Richards Studio Collection, # D9315-16
< Herbert Williams House, in Sumner (built 1889), circa 1906. Tacoma Public Library, #WIL (G) -128
Dash Point School (built 1924), circa 1926. Tacoma Public Library, #BU-12106 Boland Collection >

FEDERAL HISTORIC REHABILITATION TAX CREDIT PROGRAM

1) The Historic Rehabilitation Tax Credit Program (HRTC) is a one-time federal income tax credit for the costs associated with the rehabilitation of historic buildings. The program is jointly administered by the National Park Service and the IRS. The most commonly used tax credit is the 20% credit for income producing properties.

2) The Washington State Department of Archaeology and Historic Preservation (DAHP) coordinates projects using the Federal HRTC. To qualify, the building must be eligible for or be listed on the National Register of Historic Places.

3) The rehabilitation must meet the Secretary of the Interior's Standards for the Rehabilitation of Historic Properties and the design must be approved by the National Park Service prior to project initiation.

For more information, visit
www.dahp.wa.gov or call 360-586-3065

