

THE HISTORIC TAX CREDIT COALITION

DRAFT LEGISLATIVE PRIORITIES:

1. Amend Section 47 of the Code to increase the HTC credit rate to 30% for smaller projects. Small project redefined as QREs \$5MM. Indexed for inflation.
2. Amend Section 47 to allow the 10% credit to be used for residential rental housing.
3. Amend Section 47 to make all buildings older than 50 years eligible for the 10% rehabilitation credit.
4. Amend Section 47 to eliminate all disqualified lease rules (except for the sale leaseback) that currently preclude the use of the HTCs on properties where nonprofits or government agencies rent more than 50% of the leasable space.
5. Provide transferability of the credit (sale of the credit as a certificate) for deals under \$5 million in QREs.
6. Amend Section 47 to allow for moderate rehabilitation by reducing the substantial rehabilitation test to 50 percent of adjusted basis.
7. Enact a Green “add on” Credit, formulated with the National Trust for Historic Preservation.
8. Ensure that state historic preservation tax credit proceeds are not counted as federal income and taxed by the Internal Revenue Service.
9. Allow the combination of the Section 47 credits with all credits related to use of green technology improvements.
10. Boosts by 130% the qualified rehabilitation expenditures on which HTCs can be claimed for buildings located in certain HUD-designated DDAs and Qualified Census Tracts.