

Historic Barn Rehabilitation Tax Credit Qualifications & Instructions



New York State
Parks, Recreation and
Historic Preservation

Owners of barns may qualify for the New York State Historic Barn Rehabilitation Tax Credit, which is a state income tax credit equal to 25% of Qualified Rehabilitation Expenditures



Qualifications:

- ◆ You must be a New York State taxpayer.
- ◆ The barn must have been constructed prior to 1946
- ◆ The barn DOES NOT need to be listed in the State or National Register of Historic Places
- ◆ Your barn must have been used as an agricultural facility or for related purposes.
- ◆ Your qualified rehabilitation expenditures must amount to \$5,000 or more.
- ◆ The rehabilitation project must not alter or change the historic appearance of the barn.
- ◆ The barn must not have been used as a residence within one year prior to applying for the credit.
- ◆ The project must not convert the barn to a residence.
- ◆ The credit may be applied to certain work that has already been completed.

Please contact the NYS Division for Historic Preservation (DHP) staff at (518) 237-8643 with questions about program qualifications. Additional program information and documents can be found online at <https://parks.ny.gov/shpo/tax-credit-programs/>.

The Application:

The application comprises three parts. Parts 1 and 2 are submitted together and may be submitted prior to work commencing on the property or during the rehabilitation project. Part 3 is submitted after the work is completed.

Part 1: Provides the baseline information about the applicant and barn. This helps the DHP establish that the barn meets the qualifications listed above.

Part 2: Establishes the proposed work and breaks down the work items into categories (roof, structural framing, etc.). Part 2 additionally requires a brief description of the barn's existing condition, the proposed rehabilitation, estimated costs, and references to images. *Note: you do not need formal estimates from a contractor to submit your application.*

Part 3: To be submitted after work is complete. The credit is claimed for the tax year in which the Part 3 is approved. Please submit a description of each complete work item and references to photos.

Note: the DHP does not require copies of invoices or receipts; please keep those for your tax records.

Images/Photographs:

- ◆ Please provide images/photographs of all visible exterior elevations of the barn. This helps DHP evaluate the condition of the structure and the proposed work.
- ◆ It is best to provide digital images on a CD or USB/thumb drive. Generally, emailed digital images will not be accepted unless authorized by DHP staff.
- ◆ All image files should be named with a number and location.
- ◆ Printed color photographs on photo paper are acceptable if a digital photo submission is not possible.

Part 1 and 2 Submissions Require:

- ◆ Exterior photos of all visible elevations of the barn.
- ◆ Photos of all areas where work will be or has been completed.
- ◆ If work has been completed, photos showing the barn before the work must be provided.
- ◆ Project worksheet(s) describing the proposed work (*if work has already been completed, submit Part 1 & 2 and Part 3 applications together and only include the Part 3 worksheet*).
- ◆ Manufacturer's Product Information (if applicable).
- ◆ Work completed within the last five years may qualify. Photos showing the barn before and after the work must be provided.

Part 3 Submissions Require:

- ◆ Exterior photos of all visible elevations showing completed work.
- ◆ Additional photos showing remaining areas where work has been completed.
- ◆ Part 3 project worksheet showing the amount of qualified rehabilitation expenditures.

Qualifying Rehabilitation Expenditures include, but are not limited to:

- ◆ Roofs; repair or replacement (with approved material), installation of gutters
- ◆ Siding/cladding/sheathing; repair or replacement in-kind, exterior painting
- ◆ Foundation repair or replacement
- ◆ Foundation drainage
- ◆ Masonry; repair or replacement in-kind
- ◆ Jacking, leveling, and other structural work, including cabling, bracing, and shoring
- ◆ Window & door repair or replacement in-kind
- ◆ Flooring repair or replacement in-kind, stair repair or replacement in-kind
- ◆ General carpentry
- ◆ Mechanical, Electrical and Plumbing (MEP) costs
- ◆ "Soft" or professional labor costs; architect, engineer, building/preservation consultant, permit fees
- ◆ ADA or OSHA-compliant upgrades, other components related to the building's operation
- ◆ Rehabilitation expenditures paid or incurred within the five years immediately preceding the year in which the tax credit shall be applied

Non-Qualifying Rehabilitation Expenditures:

- ◆ Building additions or extensions of the historic barn's footprint, except for reconstruction of missing historic wings/ additions that is based on physical evidence and other documentation of its appearance
- ◆ Enclosure of interior spaces with sheetrock or concealing materials
- ◆ Partitioning a substantial amount of interior space
- ◆ Removal of structurally sound framing or features, i.e., hay lofts, hay tracks/forks, silos
- ◆ Addition of interior mezzanine spaces
- ◆ Installation of salvaged architectural parts for decorative purposes
- ◆ Interior painting, staining and other cosmetic changes i.e., wallpaper
- ◆ Fixtures associated with new kitchens and bathrooms, i.e., cabinetry, appliances, toilets, etc.
- ◆ Landscaping
- ◆ Alarm systems
- ◆ Carpets
- ◆ Demolition costs, rubbish removal
- ◆ Fencing
- ◆ Financing fees, insurance fees, administrative costs, and processing fees
- ◆ Equipment such as scaffolding or bucket truck rental, furniture
- ◆ Labor completed by the barn owner, tools
- ◆ Routine cleaning and maintenance
- ◆ Outdoor lighting remote from the building
- ◆ Parking lots, walkways, patios, retaining walls not associated with original barn function
- ◆ Signage
- ◆ Work performed outside the barn's footprint