

CAPITOL NEWS & NOTES

Alabama REALTORS®



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Bill Restoring Historic Tax Credit Filed in the Senate with 28 Co-Sponsors



Sen. Jabo Waggoner

SB 262, The Alabama Historic Rehabilitation Tax Credit Bill, sponsored by Senator Jabo Waggoner (R-Vestavia Hills) and 28 co-sponsors, was filed in the Senate last week and has been referred to the Senate Committee on Finance and Taxation Education.

The bill renews the historic renovation tax credit program, beginning on January 1, 2018 and expiring on December 31, 2027. Though comparable to the program that expired last year, the program outlined in **SB 262** would include a few modifications, including allowing the tax credits to be refundable and establishing a Historic Tax Credit Evaluating Committee to help the Commission determine reservations for the tax credits. In the previous program, the tax credits were not refundable and could only be used to lessen tax liability, and the Historical Commission made decisions on granting the credits, which were granted in order of requests.

Rep. Victor Gaston (R-Mobile) sponsored the companion legislation, **HB 345**, in the House with 88 cosponsors.

Alabama REALTORS® support **SB 262/HB 345**, the renewal of the Alabama Historic Rehabilitation Tax Credit. The three-year tax credit expired on May 15, 2016. The historic tax credit provided twenty million dollars in tax credits annually to rehabilitate historic structures built prior to 1936. Commercial projects could apply and receive up to five million (\$5,000,000) per commercial project. Qualifying residential projects could apply and receive up to fifty thousand (\$50,000) over a three-year period. The program was successful and enthusiastically supported by historic preservationists, municipal leaders, and real estate professionals and developers across the state.

