



CHAPTER 105
ARTICLE 3L - HISTORIC REHABILITATION TAX CREDITS INVESTMENT PROGRAM

N.C.G.S. § 105-129.105.

(See note for repeal) Credit for
rehabilitating income-producing historic
structure.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 06:38 UTC	SOURCE FINGERPRINT 2bea2f2d0225b397c779374e - b706a43306131395d6bab0a0 - 6e1072d0c21eb8fe
--	---	---	--

- § 105-129.105(a) Credit. - A taxpayer who is allowed a federal income tax credit under section 47 of the Code for making qualified rehabilitation expenditures for a certified historic structure located in this State is allowed a credit equal to the sum of the following:
- (1) Base amount. - The percentage of qualified rehabilitation expenditures at the levels provided in the table below:
- | | | |
|--------------|--------------|--------|
| Expenses | | |
| Over | Up To | Rate |
| 0 | \$10 million | 15.00% |
| \$10 million | \$20 million | 10.00% |
- (2) Development tier bonus. - An amount equal to five percent (5%) of qualified rehabilitation expenditures not exceeding twenty million dollars (\$20,000,000) if the certified historic structure is located in a development tier one or two area.
- (3) Targeted investment bonus. - An amount equal to five percent (5%) of qualified rehabilitation expenditures not exceeding twenty million dollars (\$20,000,000) if the certified historic structure is located on an eligible targeted investment site.

- (4) Education bonus. - An amount equal to five percent (5%) of qualified rehabilitation expenditures not exceeding twenty million dollars (\$20,000,000) if the certified historic structure was originally used for an educational purpose, is used for an educational purpose following the rehabilitation, and remains used for an educational purpose for each year in which the credit, or a carryforward of the credit, is claimed. For a certified historic structure used for multiple purposes, the bonus provided in this subdivision shall be proportionate to the area of the certified historic structure used for an educational purpose.

§ 105-129.105(b) Pass-Through Entity. - Notwithstanding the provisions of G.S. 105-131.8 and G.S. 105-269.15, a pass-through entity that qualifies for the credit provided in this section may allocate the credit among any of its owners in its discretion as long as an owner's adjusted basis in the pass-through entity, as determined under the Code, at the end of the taxable year in which the certified historic structure is placed in service, is at least forty percent (40%) of the amount of credit allocated to that owner. Owners to whom a credit is allocated are allowed the credit as if they had qualified for the credit directly. A pass-through entity and its owners must include with their tax returns for every taxable year in which an allocated credit is claimed a statement of the allocation made by the pass-through entity and the allocation that would have been required under G.S. 105-131.8 or G.S. 105-269.15.

§ 105-129.105(c) Definitions. - The following definitions apply in this section:

- (1) Certified historic structure. - Defined in section 47 of the Code.
- (2) Development tier area. - Defined in G.S. 143B-437.08.
- (2a) Educational purpose. - A purpose that has as its objective the education or instruction of human beings; it comprehends the transmission of information and the training or development of the knowledge or skills of individual persons.
- (3) Eligibility certification. - A certification obtained from the State Historic Preservation Officer that the site comprises an eligible targeted investment site.
- (4) Eligible targeted investment site. - A site located in this State that satisfies all of the following conditions:

a.It was used as a manufacturing facility or for purposes ancillary to manufacturing, as a warehouse for selling agricultural products, or as a public or private utility.

b.It is a certified historic structure.

c.It has been at least sixty-five percent (65%) vacant for a period of at least two years immediately preceding the date the eligibility certification is made.

(5) Pass-through entity. - Defined in G.S. 105-228.90.

(6) Qualified rehabilitation expenditures. - Defined in section 47 of the Code.

(7) State Historic Preservation Officer. - The Deputy Secretary of the Office of Archives and History of the North Carolina Department of Natural and Cultural Resources, or the Deputy Secretary's designee, who acts to administer the historic preservation programs within the State.

(8) Targeted investment. - Qualified rehabilitation expenditures on a certified historic structure that is located on an eligible targeted investment site.

§ 105-129.105(d) Limitations. - The amount of credit allowed under this section with respect to qualified rehabilitation expenditures for an income-producing certified historic structure may not exceed four million five hundred thousand dollars (\$4,500,000).

§ 105-129.105(e) 2014 and 2015 Expenses. - A taxpayer is eligible for a credit under this section for taxable years beginning on or after January 1, 2016, for qualifying rehabilitation expenditures that were incurred in 2014 and 2015 if all of the following conditions are met:

(1) The certified historic structure is located in a Tier 1 or a Tier 2 county.

(2) The certified historic structure is owned by a city.

(3) The qualifying rehabilitation activity commenced in 2014.

(4) A certificate of occupancy is issued on or before December 31, 2015.

(5) The taxpayer meets all of the other conditions in this section. (2015-241, ss. 14.30(c), 32.3(a); 2015-264, s. 54.5(a), (b); 2017-102, s. 33; 2021-180, s. 42.7A(a).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-131.8	(b)	"Entity. - Notwithstanding the provisions of"
G.S. 105-269.15	(b)	"the provisions of G.S. 105-131.8 and"
G.S. 143B-437.08	(c)(2)	"Development tier area. - Defined in"
G.S. 105-228.90	(c)(5)	"Pass-through entity. - Defined in"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-129.105 (2026).

PINPOINT

N.C. Gen. Stat. § 105-129.105(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

This document reproduces the text of one section of the General Statutes of North Carolina from a source file whose SHA-256 digest is printed on every page. The digest fixes the bytes this export was made from; if the State's file changes, the digest will not match.

The text of the section is unaltered. Subsection designators have been moved from the run of text into the margin. The amendment history and the table of authorities are derived from the section by mechanical extraction — they add no characterization of the law.

This is not the official text. The official text is published by the General Assembly of North Carolina.

