



# Sine Qua Non of Commercial Revitalization

THE FEDERAL HISTORIC TAX CREDIT PROGRAM leveraged \$373 million in private investment in Louisiana's historic buildings in the last fiscal year, according to Alison F. Saunders, Tax Incentives Director for the Louisiana Division of Historic Preservation. The state regularly ranks in the top ten for the renovation of historic buildings into viable commercial ventures, as evidenced by developers' utilization of the federal program. "The State Commercial Tax Credit program also had a phenomenal fiscal year, with over \$151 million in investment in historic buildings in Downtown Development Districts and Cultural Districts," says Saunders. Pictured here is a sampling of federal tax credit projects so far in the current year.



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| 1 622 Canal St.,<br>New Orleans CBD<br>\$2,624,200                        | 9 415 Gravier St.,<br>New Orleans CBD<br>\$786,000   |
| 2 930 Tchoupitoulas St.,<br>New Orleans Warehouse District<br>\$1,551,829 | 10 808 Frenchmen St.,<br>New Orleans Faubourg Marigny<br>\$241,150   |
| 3 3725 Dauphine St.,<br>New Orleans Bywater<br>\$9,707,240                | 11 724 Iberville St.,<br>New Orleans Vieux Carré<br>\$2,044,078  |
| 4 1241 Decatur,<br>New Orleans Vieux Carré<br>\$1,650,000                 | 12a and b 2030 & 2050 Constance St.,<br>950 Josephine St.<br>New Orleans Lower Garden District<br>\$14,317,794 |
| 5 809 Ursulines St.,<br>New Orleans Vieux Carré<br>\$277,876              | 13a and b 445 & 447 Third St.,<br>242 Main St.<br>Baton Rouge Main Street<br>\$15,867,927                      |
| 6 1019 Clouet St.,<br>New Orleans Bywater<br>\$134,450                    | 14 450 Main St.,<br>Baton Rouge Main Street<br>\$250,000   |
| 7 913 Magazine St.,<br>New Orleans CBD<br>\$515,512                       |  |
| 8 4300 S. Johnson St.,<br>New Orleans Broadmoor<br>\$328,828              |  |



- Not pictured**
- 7832-34 Plum St., New Orleans Carrollton, \$301,400
  - 5422-24 Vicksburg, New Orleans South Lakeview, \$142,000
  - 407 Baronne St., New Orleans CBD, \$250,000
  - 1436 Chartres St., New Orleans Faubourg Marigny, \$259,516
  - 827 America, Baton Rouge Beauregard Town, \$214,022
  - 201 W. Thomas, Hammond Downtown, \$1,736,893

Baton Rouge photos by Donna Fricker  
New Orleans photos by Katie Walenter, Averil Oberhelman and Mary Fitzpatrick



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## GENERAL GUIDELINES FOR HISTORIC TAX CREDITS

Before beginning a project visit [www.crt.state.la.us](http://www.crt.state.la.us) and call Alison F. Saunders, 225.342.8155

### 20 Percent Federal Rehabilitation Tax Credit

- The building must be certified as a historic building in a National Register Historic District or must be individually listed in the National Register of Historic Places.
- The building must be used for income-producing purposes, be depreciable and not used as a private residence.
- Exterior and interior work must be undertaken according to the Secretary of the Interior's Standards for Rehabilitation.
- In general, the cost of the rehabilitation work must exceed the adjusted basis of the building.
- Projects are generally completed within two years.
- After rehabilitation, the building must be owned by the same owner and operated as an income-producing property for five years.

### 25 Percent State Commercial Tax Credit

- The building must be a contributing element to a Downtown Development District (DDD) or a Cultural District.
- The building must be used for an income-producing purpose.
- Eligible expenses must exceed \$10,000.
- No taxpayer or entity affiliated with that taxpayer may receive more than \$5 million in credits for rehabilitation work within a particular DDD.
- Rehabilitation must meet the Secretary of the Interior's Standards for Rehabilitation.
- Any unused credit may be carried forward for up to five years.
- The credit may be sold to a third party under certain circumstances. Applicants are advised to consult their tax professional in this case.

### Up to 25 Percent State Residential Tax Credit

- The work is carried out on a building that has been determined to be a Qualified Residence.
- The building is rehabilitated according to the Secretary of the Interior's Standards for Rehabilitation.
- The costs of the rehabilitation exceed \$20,000.
- The rehabilitated building is the owner's primary residence.
- The work is primarily rehabilitation and not remodeling.
- The percentage of credit awarded is based on the homeowner's Adjusted Gross Income (AGI).