



Historic Tax Credit Program Process Guidance

Process Overview

Part 1

Before

If not NR listed or listed within a NR HD, needs an overview of what makes the building significant, architectural description of the building or buildings if a complex

Documents historic character

Part 2

Describe the During

Basically a project description of the rehab

- Form breaks down by type of work
- Amendment forms can document project changes

Documents HC will be retained

Part 3

After

Nothing written. Signed form requesting certification of rehab completed as done in the Part 2 and any Amendments, if needed

Lots of clear photos of the building post-rehab

Documents HC still there!

Part 1

Part 2

Part 3

Be sure you are using the New NPS Forms!

NPS Form 10-108 (Rev. 06/2014-12)
National Park Service

OMB Control No. 1024-0009

HISTORIC PRESERVATION CERTIFICATION APPLICATION PART 1 – EVALUATION OF SIGNIFICANCE

Instructions: This page must bear the applicant's original signature and must be dated. The National Park Service certification decision is based on the descriptions in the application form, in the event of any discrepancy between the application form and other supplementary material submitted with it (such as photographs, plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the National Revenue Service.

1. Property Name
 Street _____
 City _____ County _____ State _____ Zip _____
☐ National Register district ☐ Certified state or local district ☐ Potential district

2. Nature of Request (check only one box)
☐ certification that the building contributes to the significance of the above-named historic district or National Register property for rehabilitation purposes.
☐ certification that the building contributes to the significance of the above-named historic district for a charitable contribution for conservation purposes.
☐ certification that the building does not contribute to the significance of the above-named district.
☐ preliminary determination for retention listing in the National Register.
☐ preliminary determination that a building located within a potential historic district contributes to the significance of the district.
☐ preliminary determination that a building outside the period or area of significance contributes to the significance of the district.

3. Project Contact (if different from applicant)
 Name _____ Company _____
 Street _____ City _____ State _____
 Zip _____ Telephone _____ Email Address _____

4. Applicant
 I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that (check one or both boxes, as applicable):
☐ I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or
☐ I am not the fee simple owner of the above-described property, but the fee simple owner is aware of the action I am taking relative to this application and has no objection, as stated in a written statement from the owner, a copy of which (if other is attached to this application form and incorporated herein, or has been previously submitted, and it) meets the requirements of 36 CFR § 67.3(a)(1) (2011).
 For purposes of this statement, the singular and plural are interchangeable. I understand that knowing and actual falsification or material misrepresentation in this application may subject me to fine and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 5 years.

Applicant Only _____ Signature (Sign in ink) _____ Date _____
 Street _____ City _____ State _____
 Zip _____ Telephone _____ Email Address _____

NPS Official Use Only
☐ The National Park Service has reviewed the Historic Preservation Certification Application – Part 1 for the above-named property and has determined that the property:
☐ contributes to the significance of the above-named district or National Register property and is a "qualified historic structure" for rehabilitation purposes.
☐ contributes to the significance of the above-named district and is a "qualified historic structure" for a charitable contribution for conservation purposes.
☐ does not contribute to the significance of the above-named district.

History/Preservation:
☐ applicant to meet the National Register Criteria for Evaluation and all bills to be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer according to the procedures set forth in 36 CFR Part 65.
☐ does not appear to meet the National Register Criteria for Evaluation and will only be listed in the National Register.
☐ appears to contribute to the significance of a potential historic district, which will only be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer.
☐ the rehabilitation or proposed restoration will meet the Secretary of the Interior's Standards for Rehabilitation if the applicant certifies that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.
☐ does not appear to qualify as a certified historic structure.

Date _____ National Park Service Authorized Signature (Sign in ink) _____
☐ NPS Comments Attached

RECORDS RETENTION – PERMANENT: Transfer all permanent records to NARA 15 years after closure. (NPS Records Schedule, Resource Management and Lands (IRM 1A-2) (N-79-10-15).

NPS Form 10-108a (Rev. 06/2014-12)
National Park Service

OMB Control No. 1024-0009

HISTORIC PRESERVATION CERTIFICATION APPLICATION PART 2 – DESCRIPTION OF REHABILITATION

Instructions: This page must bear the applicant's original signature and must be dated. The National Park Service certification decision is based on the descriptions in this application form, in the event of any discrepancy between the application form and other supplementary material submitted with it (such as photographs, plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the National Revenue Service.

1. Property Name
 Street _____ City _____ County _____ State _____ Zip _____
 Name of historic district _____
☐ Listed individually in the National Register of Historic Places, date of listing _____
☐ Located in a Registered historic district, name of district _____
☐ Part 1 – Evaluation of Significance submitted? _____ Date submitted _____ Date of certification _____

2. Project Data
 Case number _____ Estimated rehabilitation costs (NPS) _____
 Number of buildings in project _____ Floor area before / after rehabilitation _____ / _____
 Start date (estimated) _____ Units before / after rehabilitation _____ / _____
 Completion date (estimated) _____ Number of housing units before / after rehabilitation _____ / _____
 Number of phases in project _____

3. Project Contact (if different from applicant)
 Name _____ Company _____
 Street _____ City _____ State _____
 Zip _____ Telephone _____ Email Address _____

4. Applicant
 I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that (check one or both boxes, as applicable):
☐ I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or
☐ I am not the fee simple owner of the above-described property, but the fee simple owner is aware of the action I am taking relative to this application and has no objection, as stated in a written statement from the owner, a copy of which (if other is attached to this application form and incorporated herein, or has been previously submitted, and it) meets the requirements of 36 CFR § 67.3(a)(1) (2011).
 For purposes of this statement, the singular and plural are interchangeable. I understand that knowing and actual falsification or material misrepresentation in this application may subject me to fine and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 5 years.

Applicant Only _____ Signature (Sign in ink) _____ Date _____
 Street _____ City _____ State _____
 Zip _____ Telephone _____ Email Address _____

NPS Official Use Only
 The National Park Service has reviewed the Historic Preservation Certification Application – Part 2 for the above-named property and has determined that:
☐ the rehabilitation described herein is consistent with the historic character of the property and, where applicable, with the district in which it is located and that the project meets the Secretary of the Interior's Standards for Rehabilitation. This letter is a preliminary determination only, which is a formal certification of certification can be issued only to the owner of a "qualified historic structure" after rehabilitation is complete.
☐ the rehabilitation or proposed restoration will meet the Secretary of the Interior's Standards for Rehabilitation if the applicant certifies that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.
☐ the rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.

Date _____ National Park Service Authorized Signature (Sign in ink) _____
☐ NPS Comments or comments attached

RECORDS RETENTION – PERMANENT: Transfer all permanent records to NARA 15 years after closure. (NPS Records Schedule, Resource Management and Lands (IRM 1A-2) (N-79-10-15).

NPS Form 10-108b (Rev. 06/2014-12)
National Park Service

OMB Control No. 1024-0009

HISTORIC PRESERVATION CERTIFICATION APPLICATION PART 3 – REQUEST FOR CERTIFICATION OF COMPLETED WORK

Instructions: This page must bear the applicant's original signature and must be dated.

1. Property Name
 Street _____ City _____ County _____ State _____ Zip _____
 Is property a certified historic structure? ☐ Yes ☐ No, if yes, date of historic contribution _____ (in case of National Register listing)

2. Project Data
 Project start date _____ Project completed and building placed in service date _____
 Estimated rehabilitation costs (NPS) _____ Total estimated costs (NPS plus non-NPS) _____
 Number of housing units before/after rehabilitation _____ / _____ Number of low-income housing units before/after rehabilitation _____ / _____

3. Project Contact (if different from applicant)
 Name _____ Company _____
 Street _____ City _____ State _____
 Zip _____ Telephone _____ Email Address _____

4. Applicant
 I hereby attest that the information I have provided is, to the best of my knowledge, correct and that I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011). For purposes of this statement, the singular and plural are interchangeable. I understand that knowing and actual falsification or material misrepresentation in this application may subject me to fine and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 5 years.
☐ I am not the fee simple owner of the above-described property. I have checked the box to attest that the fee simple owner is aware of the action I am taking relative to this application and has no objection, as stated in a written statement from the owner, a copy of which (if other is attached to this application form and incorporated herein, or has been previously submitted, and it) meets the requirements of 36 CFR § 67.3(a)(1) (2011).
☐ There are no additional owners within the meaning of "owner" set forth in 36 CFR § 67.2 (2011).

Applicant Only _____ Signature (Sign in ink) _____ Date _____
 Street _____ City _____ State _____
 Zip _____ Telephone _____ Email Address _____

NPS Official Use Only
 The National Park Service has reviewed the Historic Preservation Certification Application – Request for Certification of Completed Work (Part 3) for the property and has determined that:
☐ the completed rehabilitation meets the Secretary of the Interior's Standards for Rehabilitation and is consistent with the historic character of the property and, where applicable, the district in which it is located. Effective the date indicated below, the rehabilitation of the "qualified historic structure" is hereby designated a "qualified historic structure." This certification is to be used in conjunction with appropriate Internal Revenue Service guidelines. Questions concerning specific tax consequences or interpretations, or the Internal Revenue Code should be submitted to the Internal Revenue Service. Completed projects may be inspected by an authorized representative of the Secretary to determine if the work meets the Standards for Rehabilitation. It is understood that the rehabilitation project was not undertaken as presented by the owner in the application form and supporting documentation, or the work, upon completion, conformed to the standards set forth in the application form and supporting documentation.
☐ the rehabilitation is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.
 A copy of this determination will be provided to the Internal Revenue Service in accordance with Federal law.

Date _____ National Park Service Authorized Signature (Sign in ink) _____
☐ NPS Comments Attached

RECORDS RETENTION – PERMANENT: Transfer all permanent records to NARA 15 years after closure. (NPS Records Schedule, Resource Management and Lands (IRM 1A-2) (N-79-10-15).

Part 1

Part 2

Part 3

Evaluation of Significance

Take good photos!

Do not need a photo of every single inch of the building for the Part 1.

Do need overviews of main spaces, character defining features, and representative views of offices/apartments if similar.

Part 1

Part 2

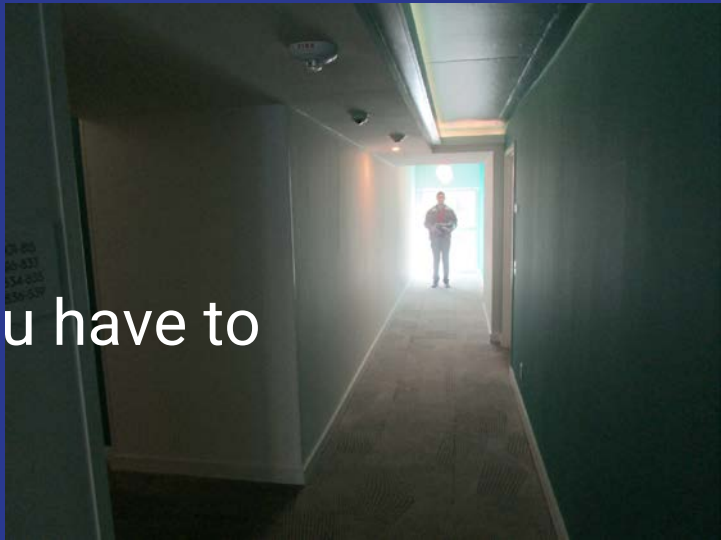
Part 3

For Parts 1-3

Just because you took the photo doesn't mean you have to use it. Don't include it if it is:

- blurry,
- repeats the same area,
- or isn't a character defining feature

Paring down photos means less you have to label and key.



Part 1

Part 2

Part 3

Photos cannot be submitted digitally...to NPS.

NPS Requirement! I will have to send it back if you do not include printed photos.

Photos must be submitted on photo paper.

- Regular (Crisp and Clear) 4X6 type prints are fine.
- Regular copy paper is not allowed.
- Must be labeled on the back of the photo



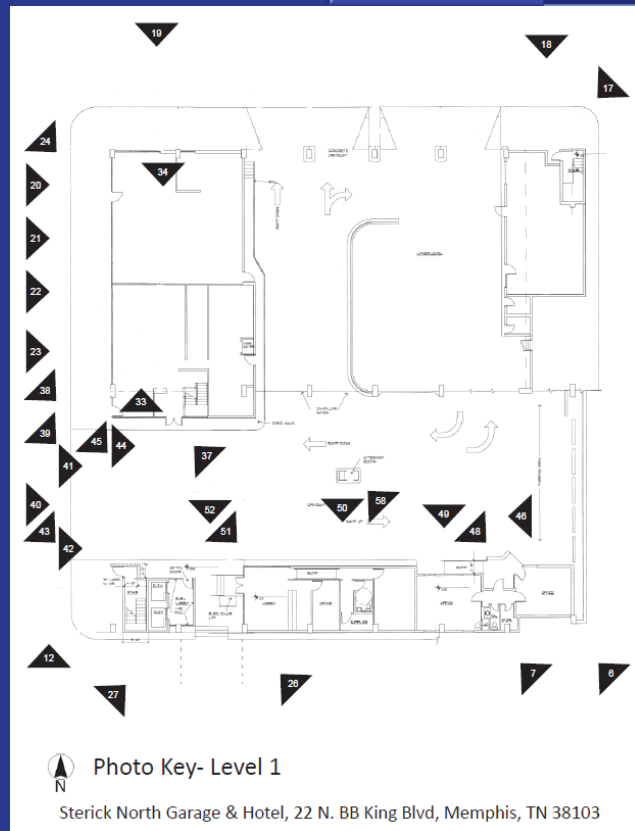
Part 1

Part 2

Part 3

Make sure you have
a clear **photo key**,
site plan, and **floor plans**

NPS Requirement! It doesn't have
to be architectural renderings, but I will
have to send it back if you do not include
these things.



Part 1

Part 2

Part 3

If your property is individually
NR Listed you get to go
directly to **Part 2!**

If eligibility has not been
evaluated by our office before,
call/email me/NR staff first.



Part 1

Part 2

Part 3

If property is **Contributing** within a HD, provide

- The info from the NR
- An updated architectural description, both interior and exterior
- Explain any changes from when it was listed.



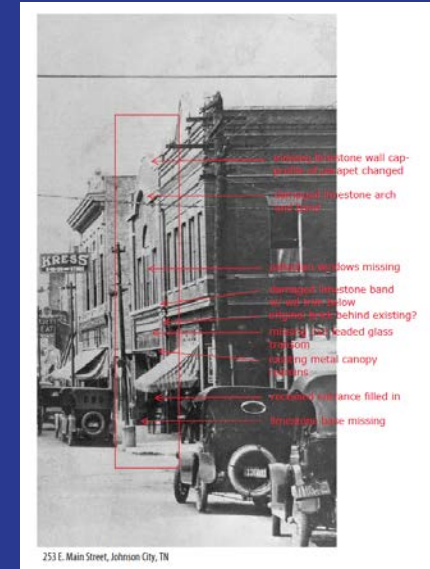
Part 1

Part 2

Part 3

If property is **Non-Contributing within a HD** but sufficient changes have occurred that it would now be contributing, provide

- the info from the NR
- an updated architectural description, both interior and exterior
- Explain any changes from when it was listed and why it should now be contributing
- Note the POS and how it would fit with it



Part 1

Part 2

Part 3

If property is **individually eligible**, provide

- The info from the NR summary paragraph and short history
- An architectural description, both interior and exterior
- Keep it simple.
- Focus on why it is significant, lay out period of significance and how building reflects that significance
- Save footnotes, research, lots of details for nomination



WAIT!

Part 1

Part 2

Part 3

Submit two copies of everything to SHPO for review. SHPO will submit to NPS.

If they have any comments they will let us know but eventually, in most cases,

NPS certifies your building

Part 2

Description of Rehabilitation

Part 1

Part 2

Part 3

Describe the Rehab

P2 also requires Plans and Overall Site Plan

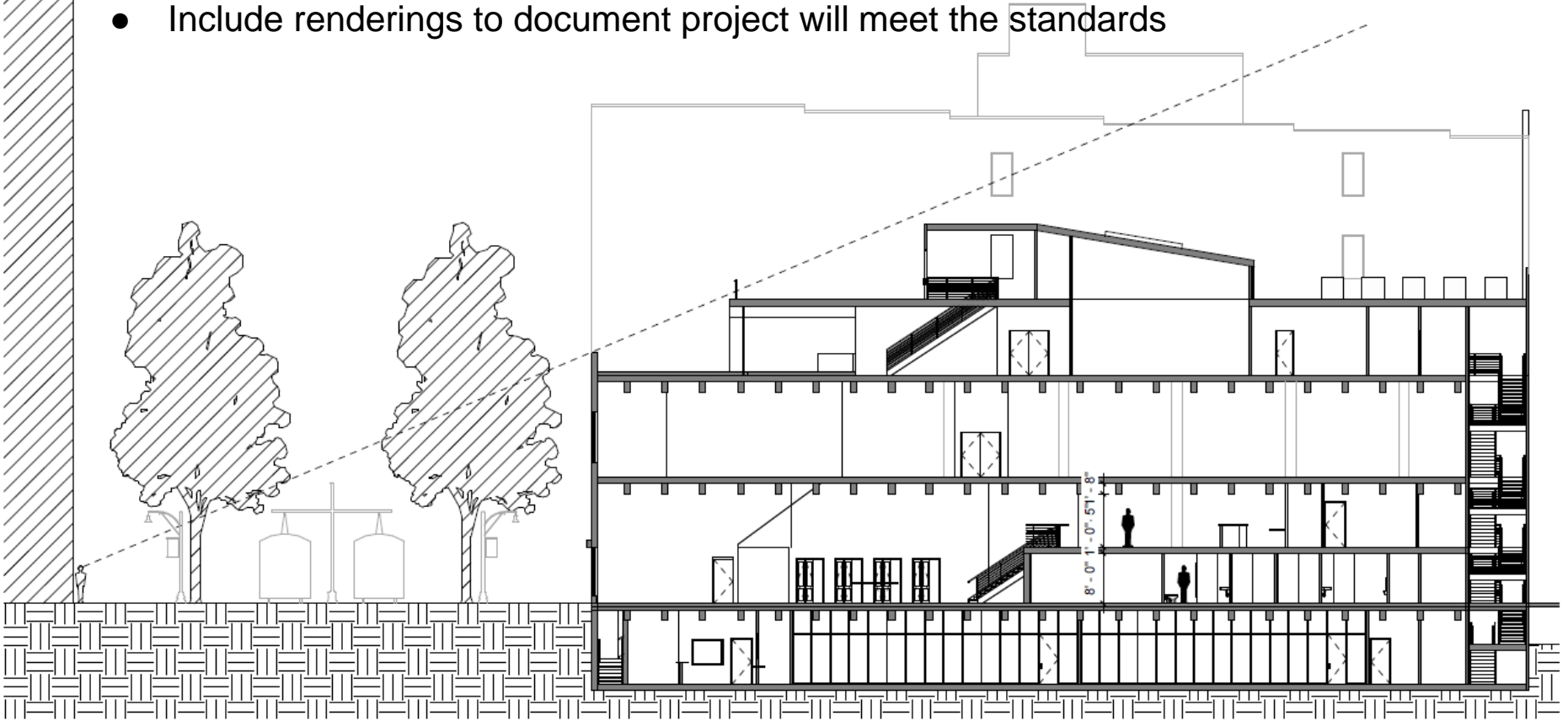
1. Maple and heart pine wood Floors
2. Glass block windows
3. Clearstory Windows
4. Metal Shipping Shed/Structure
5. Water Tower
6. Caustic Tanks and Concrete Structure
7. Main building concrete exterior
8. South facade garage door
9. Central Courtyard
10. South facade 2nd floor entrance
11. Elevators and elevator shafts
12. Cooling pond
13. Concrete flooring
14. Steel connection
15. Historic exterior doors
16. Building code compliance
17. Interior structural systems
18. Mercerizing & Dye room
19. Cafeteria
20. Machine shop
21. Boiler building and smokestack
22. Main entrance stairwell
23. Winding room
24. Courtyard
25. Post 1955 brick addition
26. Roof covering
27. Mechanical, electrical, plumbing



Form must include a clear and concise project description of the rehab

- Form breaks down by type of work
- Work must meet all of the *Secretary of the Interior's Standards for Rehabilitation*
- Be clear about where work will not be happening (if a single large building or complex)
- Document what will happen to the entire property (landscaping features, parking lots, etc)

- Explain major changes in more detail
- Include renderings to document project will meet the standards



Part 1

Part 2

Part 3

P2 Can Need More Photos Than P1

Make sure the labels are clear and descriptive

Photo #1

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from NW

Description: Exterior showing North and West façades

11/14/19

Photo #3

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from NE

Description: Exterior showing North façade

11/14/19

Photo #2

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from SW

Description: Exterior showing West façade

11/14/19

Photo #4

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from NE

Description: Exterior showing lower Levels of North and East
façades

11/14/19

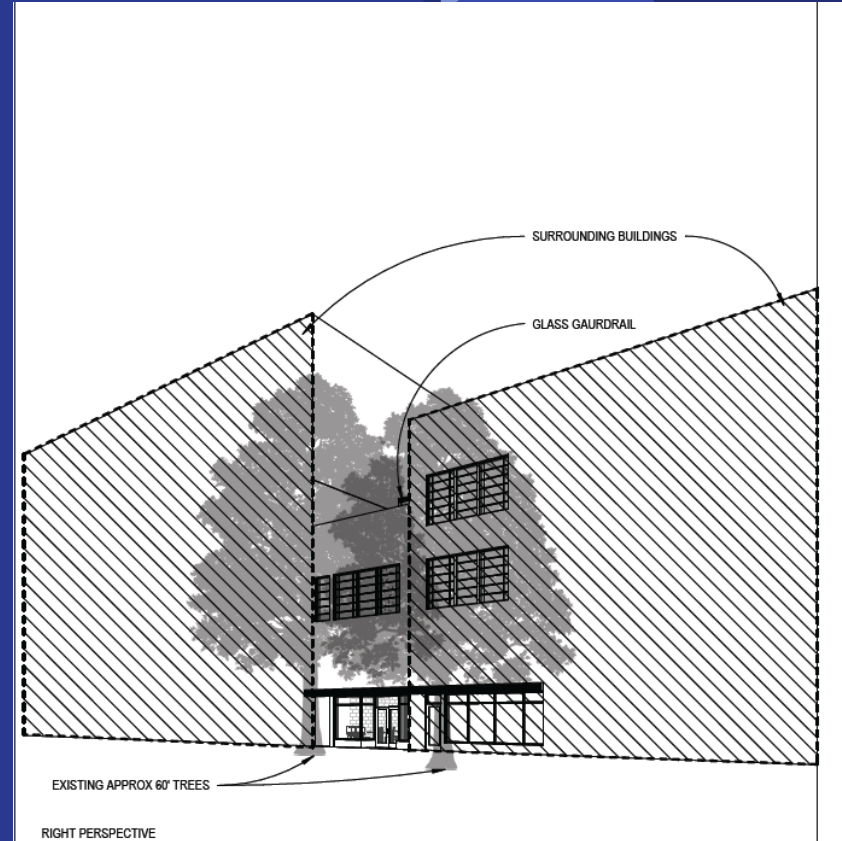
Part 1

Part 2

Part 3

Needs Clear Plans

Make sure you have documented the building with photos, site plans, and floor plans every where work is proposed....and again photos are keyed to site plan/floor plans.



Part 1

Part 2

Part 3

Submit two copies of everything to SHPO for review. SHPO will submit to NPS. NPS will contact the owner to pay the fee before they begin their review. More info about the fee is [here](#).

If they have any comments they will let us know but eventually, in most cases,

NPS approves

your rehabilitation!

**Begin the
Rehabilitation**

Part 1

Part 2

Part 3

Things come up.

- Amendment form can document project changes
- Easy form
- Also needs plans, renderings, etc. to document proposed changes from Part 2

But when construction is complete, the building it has been “placed into service,” and is listed in the National Register...you are ready for the Part 3!

Part 3 is the Request for Certification of Completed Work

Part 1

Part 2

Part 3

P3 is relatively simple. The After.

Part 3 is the Request for Certification of Completed Work

Our office and NPS will evaluate the completed project and compares it with the work proposed in the Part 2 application form.

If it meets the Standards, the National Park Service approves the project as a certified rehabilitation eligible for the 20% rehabilitation tax credit.

Photo #1
Stonick North, 22 N. BB King Blvd, Memphis, TN 38103
View: Exterior from NW
Description: Exterior showing North and West façades
11/14/19

Photo #3
Stonick North, 22 N. BB King Blvd, Memphis, TN 38103
View: Exterior from NE
Description: Exterior showing North façade
11/14/19

Photo #2
Stonick North, 22 N. BB King Blvd, Memphis, TN 38103
View: Exterior from SW
Description: Exterior showing West façade
11/14/19

Photo #4
Stonick North, 22 N. BB King Blvd, Memphis, TN 38103
View: Exterior from NE
Description: Exterior showing lower levels of North and East façades
11/14/19

Part 1

Part 2

Part 3

P3 is essentially photos.

Helpful to take same photos as P2.

- Can reuse the photo keys and labels!
- Easy to see rehab as before and after.

Photo #1

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from NW

Description: Exterior showing North and West façades

11/14/19

Photo #2

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from SW

Description: Exterior showing West façade

11/14/19

Photo #3

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from NE

Description: Exterior showing North façade

11/14/19

Photo #4

Sterick North, 22 N. BB King Blvd, Memphis, TN 38103

View: Exterior from NE

Description: Exterior showing lower Levels of North and East façades

11/14/19



Photo 21 Universal Life Insurance Company 7/31/15
View from the rear entrance door looking along the central axial corridor to the front door.



Photo 21 Universal Life Insurance Company 1/31/19
View from the rear entrance door looking along the central axial corridor to the front door.



Photo 24 Universal Life Insurance Company 7/31/15
View of the second floor public lobby, looking towards the stair to the first floor.

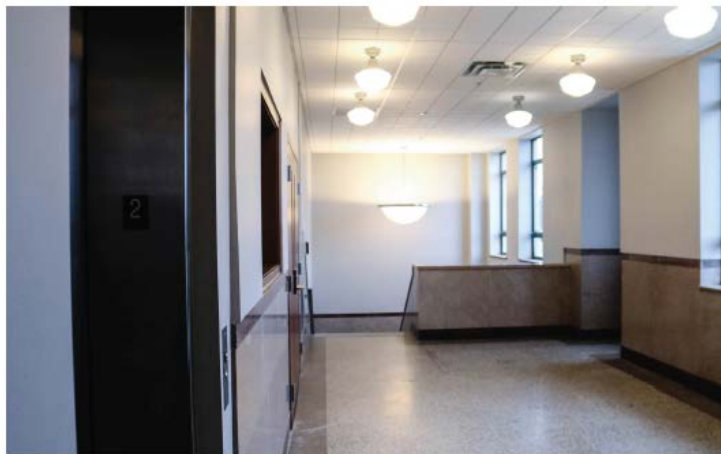


Photo 24 Universal Life Insurance Company 1/31/19
View of the second floor public lobby, looking towards the stair to the first floor.

Part 3 Photos

Part 1

Part 2

Part 3

Submit two copies to SHPO for review and SHPO submission to NPS.

If they have any comments they will let us know but eventually, in most cases,

NPS certifies your
rehabilitation!

Part 1

Part 2

Part 3

Once the Part 3 is Certified...

The owner can claim the credit...The End*

***Unless, the owner does anything rehab or ownership related in the next five years, plans will need to be submitted to our office to send to NPS for review on an Amendment form.**



Part 1

More Information

[THC-Federal Historic
Tax Credit Program](#)

[NPS-Tax Incentives—
Technical Preservation
Services](#)

[Novogradac About the
Historic Tax Credit](#)

Part 2

Part 3

Justin Heskeu
justin.heskeu@tn.gov
615.770.1098

Historic Tax Credit Program
State Historic Preservation
Office
Clover Bottom Mansion
2941 Lebanon Pike
Nashville, TN 37214

Tax Credit Language can be different from National Register language

“certified historic
structure”

A **certified historic structure** is defined as a building that is

- **listed in the National Register of Historic Places**, either
 - individually or
 - as a contributing building in a National Register historic district,
- Only a certified historic structures qualify for the credits. The “structure” must be a building—not a bridge, ship, or a railroad car, for example.

“rehabilitation”

"Rehabilitation" is defined in the regulations (36 CFR Part 67) as:

*The **process of returning a building or buildings to a state of utility**, through repair or alteration, which makes possible an efficient use while **preserving those portions and features of the building and its site and environment which are significant** to its historic, architectural, and cultural values.*

Rehabilitation not only encourages the repair of historic buildings, it **allows appropriate alterations to ensure their efficient contemporary use**. Examples include the continued use of hotels, stores, and private residences, as well as the adaptation of vacant schools into apartments, warehouses into offices, and industrial buildings into commercial space.

From NPS

“historic character”

Historic buildings are physical records of past inhabitants. People make changes to buildings over time to fit new uses and needs. The **historic character** results from the **combination of the character-defining features that have established the appearance of the building as it has evolved over time.**

Character-defining aspects of the building that need to be identified and evaluated may include **form and detailing of exterior materials, exterior features such as roofs, porches, and windows; materials, such as plaster and wood; finished and unfinished interior spaces; and interior features, such as moldings and stairways, room configuration, and spatial relationships, as well as structural systems.**

“Certified rehabilitation”

The National Park Service must approve, or “certify” all rehabilitation projects seeking the 20% tax credit. A **certified rehabilitation** is a rehabilitation of a **certified historic structure** that is approved by the NPS as being consistent with the **historic character** of the property and, where applicable, the district in which it is located.

From NPS

“Substantial rehabilitation test”

The project must meet the "substantial rehabilitation test." In brief, this means that the cost of rehabilitation must exceed the pre-rehabilitation cost of the building. Generally, this test must be met within two years or within five years for a project completed in multiple phases.

The cost of a project must exceed the greater of \$5,000 or the building's adjusted basis. The following formula will help you determine if your project will be substantial:

- $A - B - C + D = \text{adjusted basis}$
- A = purchase price of the property (building and land)
- B = the cost of the land at the time of purchase
- C = depreciation taken for an income-producing property
- D = cost of any capital improvements made since purchase

If the owner has a question about this, they should consult a tax accountant!

<https://www.nps.gov/tps/tax-incentives/before-apply/eligibility-requirements.htm>

“QRE” Qualified rehabilitation expenses

Not every expense associated with a rehabilitation project contributes toward the calculations for the 20% rehabilitation tax credit. In general, only those costs that are directly related to the repair or improvement of structural and architectural features of the historic building will qualify.

Costs associated with these items are generally eligible

- Walls
- Partitions
- Floors
- Ceilings
- Permanent coverings, such as paneling or tiles
- Windows and doors
- Components of central air conditioning or heating systems
- Plumbing and plumbing fixtures
- Electrical wiring and lighting fixtures
- Chimneys
- Stairs
- Escalators, elevators, sprinkler systems, fire escapes
- Other components related to the operation or maintenance of the building

Expenses that do not qualify for the rehabilitation tax credit

- Acquisition costs
- Appliances
- Cabinets
- Carpeting (if tacked in place and not glued)
- Decks (not part of original building)
- Demolition costs (removal of a building on property site)
- Fencing
- Feasibility studies

<https://www.nps.gov/tps/tax-incentives/before-apply/qualified-expenses.htm>