



# HISTORIC TAX CREDITS



For the last 50 years, the federal Historic Tax Credit (HTC) program has leveraged private investment to rehabilitate historic buildings, create jobs, and support housing and small businesses in communities of all sizes. To date, the credit has preserved over 50,000 properties in every state resulting in \$249 billion in private investment.

## WHAT IS THE HTC?

- Eligible projects must involve a certified historic, income-producing building listed in the National Register and undergo a substantial rehabilitation, reviewed by the SHPO and National Park Service
- Once certified, owners claim a federal income tax credit equal to 20% of qualified rehabilitation expenditures (QREs), taken over five years
- 39 states have additional tax incentive programs

## WHY IT MATTERS

- The HTC helps close financing gaps in urban, suburban, and rural areas, spurring building reuse, small businesses, housing, and quality local construction jobs
- Almost half of HTC projects are small - 44% are less than \$1M and 11% are under \$250,000 in QREs
- 75% of HTC projects are in economically distressed areas, and 40% are located in communities with less than 100,000 people

## WHAT'S NOT WORKING

- Credits are claimed over five years, reducing value and increasing financing costs
- The number of projects has declined 22% in the last five years as uncertainty increased
- Rising construction costs make financing gaps larger

**THE HISTORIC TAX CREDIT ENCOURAGES ECONOMIC DEVELOPMENT, COMMUNITY REVITALIZATION, AND CREATES AFFORDABLE AND WORKFORCE HOUSING**

*Ask*

**COSPONSOR HTC-GO (H.R. 2941/S. 1459)**

The **Historic Tax Credit Growth and Opportunity Act of 2025 (HTC-GO)** provisions would:

- Allow the credit to be claimed in the year a building is placed in service, like other federal tax credits
- Restore certainty and predictability for investors and lenders
- Increase the credit's effectiveness for small, rural, and affordable housing projects

## Case Study | American Legion Building

811 Broadway St. in downtown Cape Girardeau, MO was rehabilitated using the state and federal historic tax credits in 2024. The \$1.4 million project restored the American Legion Building into a mixed-use structure, home to the Broadway Biscuit Company and Vintage Antique Mall downstairs and a 20,000 sq ft event space upstairs.



CAPE GIRARDEAU, MO