



Historic Preservation Commission

Prince George's County Maryland

COUNTY ADMINISTRATION BUILDING • UPPER MARLBORO, MD. 20772 • 301-932 3920

PRINCE GEORGE'S COUNTY HISTORIC PRESERVATION TAX CREDITS rev. 2/2011

Policies and Procedures

Explanation of Section 10-235.1 of the Prince George's County Code: Tax Credits for Improvements to Historic Resources.

The Prince George's County Historic Preservation Commission is empowered to grant preservation tax credit for the restoration and preservation of structures classified as Historic Sites or Historic Districts in the Adopted and Approved Historic Sites and Districts Plan of Prince George's County.

1. For Historic Sites, the preservation tax credit may be allowed for 10 percent of the owner's expenses for such restoration and preservation as indicated by properly documented receipts.
2. Within a classified Historic District, the preservation tax credit may be allowed for five percent of expenses for new construction adjacent to and architecturally compatible with structures having historic architectural or cultural value with the historic district.
3. The tax credit is allowable for the tax year (July 1- June 30) immediately following the tax year in which the work was completed, and any unused portion may be carried over to the subsequent four years.
4. The Prince George's County Director of Finance is authorized to issue a refund after payment of County property taxes for each of the five tax years within the credit period, limited by the amount approved by the Historic Preservation Commission.
5. A claim may be granted if filed within five years of completion of the work.
6. Applications, documented receipts and the affirmation of the owner as to the validity of the receipts and filed with the Historic Preservation Commission.
7. The Historic Preservation Commission may approve or deny an application according to its adopted policies and procedures.
8. The Historic Preservation Commission will forward approved applications including the amount of the tax credit to the County Director of Finance to be acted upon.

The following policies and procedures are promulgated by the Historic Preservation Commission in Accordance with Article 81.12G of the Annotated Code of Maryland and Section 10-235.1 of the Prince George's County Code:

Policies

Preservation tax credits shall be granted for work that conforms with the guidelines and policies adopted by the Historic Preservation Commission. In the course of administering the Tax Credit program, the Commission may amend these guidelines and policies as necessary. The Commission will make every effort to publicize the availability of the tax credits.

- A. The Historic Preservation Commission's Design Guidelines shall be the *Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*.
- B. Work must be completed and all applicable receipts submitted before the application will be considered. Submitted costs must include proper documentation of payment, such as copies of paid receipts. Appropriate receipts include supplier invoices, credit card charge slips or cancelled checks. Expenses should be accounted for on a July 1-June 30 fiscal year basis.
- C. **Owners intending to apply for a preservation tax credit for interior restoration and preservation work or for new construction within an historic district are encouraged to submit their preliminary plans to the Historic Preservation Commission before undertaking the work.**
- D. The Historic Preservation Commission cannot give credit for the value of labor performed unless the labor is performed by a bona fide entity or individual in business as a contractor. A value for labor provided by the property owner cannot be credited.
- E. Because of the high costs of properly maintaining historic structures, the tax credits may cover items which might be considered as ordinary maintenance, such as exterior painting, when they are vital to the preservation of the historic structure. In such cases applicants are encouraged to review these work items with the Historic Preservation Commission in advance of undertaking the work.
- F. If a property eligible for a preservation tax credit changes ownership, any unused tax credit shall remain with and attach to the property. "Unused" shall be defined as that portion that could not be applied to the former owner's taxes, including the pro rata portion paid at the time of settlement.
- G. A property not listed as an Historic Site or resource within an Historic District at the time restoration work is undertaken may become eligible for the preservation tax credit if subsequently designated and if the claim is filed within five years of completion of the work.
- H. In the case of new construction in an historic district, the cost of construction shall be limited to actual building construction costs, as documented by properly documented receipts. The costs of construction shall not include any pro rata share of road, sewer, or other site development or acquisition costs.

A preservation tax credit will **not** be allowed for the following work:

Exterior

- (1) Replacement of structural members where the existing ones can be supplemented or restored.
- (2) Any changes in exterior siding, doors, windows or porches that are not compatible with the historic character of the structure.
- (3) Changes in roofline by addition of dormers, skylights, etc., unless evidence can be produced to indicate that the change is compatible with the historic period defining the character of the structure.
- (4) Roofing materials not compatible with the character of the structure.
- (5) Storm windows or doors not compatible in outward appearance with the historic window framing of the structure or that damage existing door and window frames.
- (6) Exterior paint colors not compatible with the date of the structure. Owners will furnish evidence that the paint colors are original to house or compatible with the time period.
- (7) Landscaping and paving expenses unless they represent restoration of documented structural features of a site – such as paths, walls, fences, gates, fountains and permanently installed garden furniture or sculpture.
- (8) In-kind payments.

Interior

- (1) Replacement of kitchen, bath and lighting fixtures and expenses for cabinet work will not be allowed, unless they represent a restoration of existing historic fixtures or are compatible with the historic character of the building.
- (2) Interior paint colors not compatible with the date of the structure. Owner will furnish evidence that the paint colors are either original to the building or compatible with the period.
- (3) The removal or rearrangement of original interior partitions or alterations to the original interior plan of a building.
- (4) In-kind payments.
- (5) Appliances.

The following work **is** allowable with proper documentation and if such work is carried out in a manner that does not compromise the integrity of the building:

- (1) Flooring – Restoration or refinishing of historic floors. Replacement is allowable if existing flooring is worn beyond repair/refinishing and it can be documented as original to the building or is a compatible material and is compatible in appearance with the historic period.
- (2) Interior Finishes – Restoration, repair, or replacement-in-kind of interior wall surfaces or ceiling treatments, including plaster and stucco work and metal or wood paneling and moldings.
- (3) Wallpaper – Allowable if the pattern and material is documented as original to the building or appropriate to the period.
- (4) Restoration of historic interior plans and room arrangements.
- (5) Electrical, plumbing or gas service work designed to meet building code requirements or to update service.
- (6) Expenses for heating, ventilating, air conditioning and humidity control are allowable if installed in a manner that does not compromise the integrity of a building.

Procedures

1. The Historic Preservation Commission shall indicate whether the plans conform to the Historic Preservation Commission guidelines.
2. Upon completing the work, the owner shall submit the application form and expense receipts, and before and after photographs keyed to work items for which credit is sought. The applicant's signature is taken as an oath or affirmation that the materials are a true representation of the project and that the receipts attached are for the work performed.
3. The Historic Preservation Commission's review and approval of these materials shall indicate the maximum amount of credit for which the applicant is eligible. The Historic Preservation Commission shall compute the actual dollar amount of the preservation tax credit and send the approved credit to the Treasurer's Office for processing. The Treasurer's Office shall apply the credit against the applicant's County property tax.

Approved by the Prince George's County Historic Preservation Commission, 12/12/82, Amended 1/17/84, 10/17/89, 2/16/94.

NOTE TO APPLICANTS: This review by the Historic Preservation Commission for credit on your county property tax is a separate process from the state Heritage Preservation Tax Credit process or certification by the Secretary of the Interior of rehabilitation expenditures for Federal Investment Tax Credit purposes. **Approval of your Preservation Tax Credit application by the Prince George's County Historic Preservation Commission does not ensure approval by either the State or the Federal governments. If you plan to apply for either the State program or for the Federal Investment Tax Credits, you should contact the Maryland Historical Trust (410-514-7600) at the earliest stage of your plans.**

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