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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3753

03/31/2016 Authored by Bly

The bill was read for the first time and referred to the Committee on Agriculture Policy

1.1 A bill for an act  
1.2 relating to state government; establishing a historic barn rehabilitation grant  
1.3 program; appropriating money; proposing coding for new law in Minnesota  
1.4 Statutes, chapter 138.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[138.90] HISTORIC BARN REHABILITATION PROGRAM.**

1.7 Subdivision 1. **Establishment.** The director shall establish a historic barn  
1.8 rehabilitation grant program to award grants to barn owners to be used for financing costs  
1.9 related to the restoration and rehabilitation of historic barns in the state.

1.10 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have  
1.11 the meanings given.

1.12 (b) "Director" means the director of the Minnesota Historical Society.

1.13 (c) "Qualified rehabilitation costs" means amounts that are properly includable in  
1.14 computing the basis for tax purposes of the barn. Amounts treated as an expense and  
1.15 deducted in the tax year in which they are paid or incurred and amounts that are otherwise  
1.16 not added to the basis for tax purposes of the eligible barn are not qualified rehabilitation  
1.17 costs. Amounts incurred for architectural and engineering fees, site survey fees, legal  
1.18 expenses, insurance premiums, development fees, and other construction-related costs  
1.19 are qualified rehabilitation costs to the extent they are added to the basis for tax purposes  
1.20 of the eligible barn.

1.21 (d) "Society" means the Minnesota Historical Society.

1.22 Subd. 3. **Application.** The director must develop forms and procedures for  
1.23 soliciting and reviewing applications for grants under this section. At a minimum, an  
1.24 applicant must include in its application certification that the barn qualifies as a certified

2.1 historic structure under section 47(c)(3)(A) of the Internal Revenue Code. The director  
2.2 must determine whether the applicant is eligible for a grant. The director must determine  
2.3 the method in which grants are paid.

2.4 Subd. 4. **Program requirements.** A grant must not be awarded under this section  
2.5 until the following determinations are made:

2.6 (1) the barn qualifies as a certified historic structure under section 47(c)(3)(A) of the  
2.7 Internal Revenue Code, is located in Minnesota, and was constructed before 1937; and

2.8 (2) the amount on which the grant is based qualifies as qualified rehabilitation costs.

2.9 Subd. 5. **Grants.** The director may award grants to applicants to offset the expenses  
2.10 incurred from the qualified rehabilitation costs of a barn. The grant amount must not  
2.11 exceed ... percent of the qualified rehabilitation costs. The director must not issue more  
2.12 than one grant to the same applicant.

2.13 Subd. 6. **Appropriation.** (a) An amount sufficient to pay the grants authorized  
2.14 under this section is appropriated to the society from the general fund.

2.15 (b) \$..... is appropriated to the society for costs associated with personnel and  
2.16 administrative expenses related to administering the grant authorized under this section.