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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 381

01/26/2015 Authored by Dehn, R.; Davids; Lillie; Urdahl; Davnie and others  
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to taxes; allowing a credit for historic structure rehabilitation.

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

1.4 Section 1. **CREDIT FOR HISTORIC STRUCTURE REHABILITATION.**

1.5 (a) Notwithstanding the requirements of Minnesota Statutes, section 290.0681, that  
1.6 the taxpayer qualify for the federal rehabilitation credit under section 47(c)(2) of the  
1.7 Internal Revenue Code, a developer of a project is allowed a historic structure rehabilitation  
1.8 credit or grant under Minnesota Statutes, section 290.0681, if the developer of the project:

1.9 (1) submitted an application to the State Historic Preservation Office of the  
1.10 Minnesota Historical Society for a historic structure rehabilitation credit or grant under  
1.11 Minnesota Statutes, section 290.0681, subdivision 3, in calendar year 2011; and

1.12 (2) received an allocation certificate under Minnesota Statutes, section 290.0681,  
1.13 subdivision 3, in calendar year 2012.

1.14 (b) To qualify for a credit or grant under this section, the project must:

1.15 (1) have received Part 2 approval from the National Park Service in calendar year  
1.16 2011;

1.17 (2) have received Part 3 certification from the National Park Service; and

1.18 (3) be substantially rehabilitated as defined by section 47(c)(1)(c) of the Internal  
1.19 Revenue Code.

1.20 (c) The developer of the project must notify the office within six months of when  
1.21 the project is placed in service. The office must issue a credit certificate or pay a grant  
1.22 to the developer upon verifying that the project has been placed in service and received  
1.23 Part 3 certification. The grant equals 90 percent of 20 percent of the expenditures for

2.1 the project that would be considered qualified rehabilitation expenditures if the project  
2.2 had been allowed a federal credit.

2.3 (d) All provisions of Minnesota Statutes, section 290.0681, subdivisions 4 and 5,  
2.4 that relate to issuance of credits and grants apply to credits or grants under this section.

2.5 (e) For purposes of this section, "federal credit," "office," and "qualified  
2.6 rehabilitation expenditures" have the meanings given in Minnesota Statutes, section  
2.7 290.0681, and "project" means rehabilitation of a certified historic structure, as defined in  
2.8 section 47(c)(3)(A) of the Internal Revenue Code, that is located in Minnesota.

2.9 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
2.10 projects placed in service in calendar year 2015.