



TEXAS HISTORIC TAX CREDIT PROGRAM

Poe Motor Company Building in San Antonio, Texas, by Larry D. Moore



In the last 5 years alone, SWCA's Texas offices have helped put 10 historic properties in the National Register of Historic Places (NRHP) and assisted even more property owners to apply for state and/or local landmark designations.

The Texas Historic Preservation Tax Credit (THPTC) program seeks to evoke the past in building Texas' future, creating opportunities for business and tourism while preserving culture and identity, increasing property values, connecting communities, and ultimately, creating a thriving local economy.

Historic tax credits are important to protecting and revitalizing communities and providing renovated facilities for culture, commerce, and entertainment. The Texas Legislature created the 25% THPTC in 2013 to increase historic preservation projects across the state. The THPTC is based on the Federal Rehabilitation Tax Credit program, which provides a credit for federal income taxes equal to 20% of qualified expenses. Half of all state projects also apply for the federal program, receiving a total of 45% in eligible credits.

To date, this historic tax credit program has resulted in more than 500 Texas applications in 45 cities across the state. Of these, 243 projects were completed by the end of 2020, representing an investment over time of \$1.8 billion in qualifying rehabilitation expenses. These projects represent places of worship, hotels, industrial buildings, cultural nonprofits, historic downtowns, universities, and private residences (Texas Historical Commission, Report on Historic Preservation Tax Credits in Texas, 2020).

We know you probably have a lot of questions, and we are here to help! Founded in 1981, SWCA Environmental Consultants (SWCA) is one of the largest consulting firms dedicated solely to natural and cultural resources and environmental planning in the central Texas region. We are a 100% employee-owned company of more than 1,200 specialists across 38 offices nationwide. Our staff has expertise in cultural resources, geographic information systems (GIS), environmental resources, bureaucratic processes, and public involvement. We know the cultural and natural environment of Texas because this is all we do! We have a local presence in Arlington, Austin, and San Antonio, and our architectural historians regularly conduct historic resource surveys, develop tax credit plans and historic contexts, and evaluate resources for a variety of projects in the state and region under Section 106 of the National Historic Preservation Act.

UNDERSTANDING HISTORIC TAX CREDITS

What is a tax credit?

A tax credit is a direct reduction in the amount you have to pay for taxes in a given year. For example, if you owe \$10,000 in taxes and you have a \$2,000 credit, you'll only need to pay \$8,000. The tax credit is awarded upon completion of the rehabilitation project.

CONTACT

Hannah Curry, SWCA's Lead Architectural Historian – Gulf Coast Region, has helped clients earn more than \$20 million in tax credits in the last 5 years alone. Hannah is a Secretary of the Interior's qualified historic preservation professional and architectural historian and has experience in cultural resource surveys, inventories of historic buildings and structures, tax credit studies, NRHP evaluations and nominations, and historic context development. Hannah is the regional expert on state and federal historic preservation tax credits and the application of the Secretary of the Interior's Standards for the Treatment of Historic Properties.

Contact: Hannah.Curry@swca.com | 346.388.1424

Ella McIntire, SWCA's Staff Architectural Historian – Central Texas, has assisted communities in managing and conserving cultural landscapes to maintain identity, heritage, and sense of place. Ella specializes in community-based and participatory historic preservation and adaptive reuse. Ella has experience with cultural resources surveys and inventories of historic buildings and structures, NRHP evaluations and nominations, and the development of historic contexts.

Contact: Ella.McIntire@swca.com | 512.476.0891

AWARD-WINNING HISTORIC PRESERVATION WORK

SWCA has won numerous awards for our historic resource survey work, publications, and comprehensive building rehabilitations through these organizations:

- National Trust of Historic Preservation
- San Antonio Conservation Society
- Preservation Houston
- Houston Mod
- Preservation Texas
- Docomomo-US

How can I rehabilitate my property to receive the credit?

Properties must meet several criteria to be eligible for the THPTC:

1. Must be historically significant enough to be listed in the NRHP.
2. Must be either:
 - Income-producing (commercial, industrial, or rental-residential)
 - Owned by a non-profit, not-governmental agency
3. All work must meet the Secretary of the Interior's Standards for Rehabilitation, a list of 10 guidelines that must be considered when planning the project.

What are some examples of repairs and rehabilitation that qualify for the THPTC program?

Generally, the rehabilitation or repairs need to affect structure or architectural features of your historic building. Qualified repairs include the following:

- Historic windows
- Structural (including roofs and foundations)
- Plumbing, electrical, and mechanical systems
- HVAC and heating systems
- Life safety and ADA compliance (sprinkler systems, fire doors, ramps, and elevators)
- Professional fees (architects, engineers, and consultants)
- Solar panels, wind turbines, and geothermal systems

Which services can SWCA offer during the tax credit application and evaluation process?

- NRHP nominations and evaluations
- Historic structure documentation
- Required application material preparation
- Scope and drawing review for consistency with the Standards for Rehabilitation

MORE QUESTIONS?

SWCA can help answer your additional questions! Please review our project experience to the right, and contact our Architectural Historians to get started with the application process.

PROJECT PROFILES

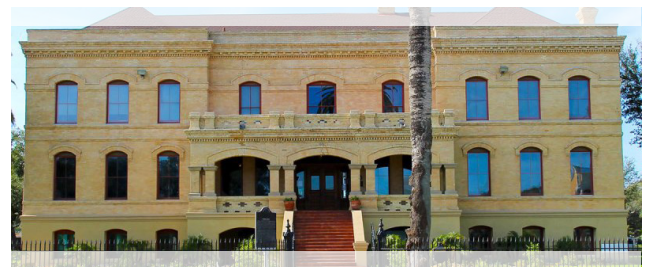
1. ST. PAUL'S UNITED METHODIST CHURCH Houston, Texas **2022 GOOD BRICK AWARD WINNER**

St. Paul's United Methodist Church applied for the THPTC as part of their planned \$12 million renovation of their 1930s Gothic Revival building. SWCA prepared their NRHP nomination, worked with the project architect to confirm all work complied with rehabilitation standards, reviewed drawings, and advised the project committee about the tax credit process. **Tax credits earned: \$2.3 Million.**



2. THE BRYAN MUSEUM Galveston, Texas

The Bryan Museum houses one of the world's largest collections of historical artifacts, documents, and artwork relating to Texas and the American West. Located in the historic Galveston Orphans Home in Galveston, Texas, historic restoration work was completed in late 2015. SWCA supported the preparation and development of a THPTC application. **Tax credits earned: \$1.1 Million.**



3. W-K-M HISTORIC DISTRICT Houston, Texas **2020 GOOD BRICK AWARD WINNER**

SWCA prepared THPTC applications to recoup costs for three different buildings in the district related to almost \$800,000 in interior renovations, ADA upgrades, roof replacements, and life safety requirements. **Tax credits earned: \$195,660.**

