

# Main Street

## GREENWOOD

### **Mississippi State Tax Credits:**

State tax credits in Mississippi provides a state income tax credit equal to 25% of the qualified expenses of rehabilitating historic structures used for residential or business purposes. Properties do not need to be income-producing to qualify; therefore, owner-occupied residences are eligible. Properties qualifying for the 20% federal tax credit will also qualify for the state tax credit. Both tax credits can reduce the cost of a certified rehabilitation of an income producing structure by 45%. The Mississippi Department of Archives & History (MDAH) is responsible for administering the state tax credits. The state tax credit can be carried forward 10 succeeding tax years.

### **Eligible Properties:**

- Individually listed in the National Register of Historic Places, or
- Contributing to the significance of a National Register historic district or designated as a Mississippi Landmark.

### **Eligible Projects:**

To be eligible, the qualified rehabilitation expenditures must exceed:

- \$5,000 in the case of owner-occupied dwelling, or
- 50% of the total basis in the property in the case of all properties other than owner-occupied dwellings,

which is the purchase price – cost of land + Improvements already made – depreciation already taken

- All work must meet the Secretary of Interior's Standards for Rehabilitation.
- Only rehabilitation expenditures incurred after January 1, 2006 qualify.
- Not-for-profit entities are ineligible to receive the credits.

### **Credit does not apply to:**

- Furnishings
- New additions or new building construction
- Parking lots or sidewalks
- Landscaping
- Other facilities related to the building

### **How to Apply:**

The owner must submit a 3 part State Historic Preservation Certification Application, along with photographs to MDAH. This application can be accessed on the MDAH Website:

[www.mdah.state.ms.us](http://www.mdah.state.ms.us). If your property also qualifies for federal credits, the owner need only to submit the federal certification application, along with the one-page form, "Statement of Intent: Mississippi State Historic Preservation Tax Credit." It is strongly recommended that the application be submitted for review prior to any work beginning. Contact MDAH at 601-576-6940.