

**07 NCAC 04R .0923 CERTIFICATIONS OF REHABILITATION**

(a) A taxpayer shall obtain a certification of rehabilitation to claim a tax credit for rehabilitating an income-producing historic structure or a non-income producing historic structure. Applicants seeking certifications of rehabilitation shall submit an application in accordance with Rule .0920 of this Section.

- (1) Submission of Part A of the application initiates review of a rehabilitation project. Upon receipt of a completed Part A application, the SHPO shall determine if the project meets the "Standards for Rehabilitation" as outlined in Rule .0924 of this Section. If the proposed project does not meet the Standards for Rehabilitation, the SHPO shall notify the applicant in writing of a way to bring the proposed project into compliance with the Standards of Rehabilitation.
- (2) Upon completion of a rehabilitation project and submission of Part B of the application in accordance with Rule .0920 of this Section, the SHPO shall review the completed project to determine if it complies with the Standards for Rehabilitation in accordance with Rule .0924 of this Section.
- (3) If the project obtained a certification of historical significance and meets the Standards for Rehabilitation upon completion, then the SHPO shall issue a certification of rehabilitation.

(b) A rehabilitation project for certification purposes shall encompass all work on the interior and exterior of the certified historic structure(s) and its site and environment, including related demolition, new construction or rehabilitation work consistent with the standards set forth in 36 C.F.R. 67.6(b)(1) through (7). For purposes of this Rule, references in these cited C.F.R. sections to the "Secretary" shall mean "SHPO", and to "Internal Revenue Service" shall mean "Department of Revenue". For certification purposes, the SHPO shall only consider work related to the rehabilitation project described in the application.

(c) Once a proposed project has been approved, changes in the work as described in the application shall be brought to the attention of the SHPO in writing to ensure continued conformance to the Standards of Rehabilitation. The SHPO shall notify the applicant in writing whether the revised project continues to meet the Standards.

(d) To facilitate project review, the SHPO, by and through HPO staff, reserves the right to conduct on-site inspections of completed or pending projects to confirm matters represented in applications, to review any alterations, and to determine if the work meets the "Standards for Rehabilitation." The SHPO shall determine which projects to inspect based on Parts A and B of the application as provided in Rule .0920 of this Section and the applicable rules, statutes, and federal regulations.

(f) If a completed rehabilitation project does not meet the "Standards for Rehabilitation," the SHPO or his or her representative shall send a letter to the applicant enumerating the reasons for the project's failure to obtain a certification of rehabilitation.

*History Note: Authority G.S. 105-129.105; 105-129.106; 105-129.107;  
Temporary Adoption Eff. January 1, 2016;  
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