

Barns and Historic Preservation Tax Incentives in Michigan

Federal income tax credits are available to encourage investment in Michigan's historic resources. Historic property owners and long-term lessees who undertake qualified rehabilitation can apply for a credit against their federal income tax in the amount of 20% of qualified rehabilitation expenditures. The purpose of this program is to provide financial incentives to, commercial property owners and businesses to rehabilitate historic commercial, income producing property. The federal income tax credit of 20% applies to rehabilitation of "Certified Historic Structures". To qualify for participation in the 20% tax credit program, the farmstead or the barn must be listed, or eligible for listing, on the National Register of Historic Places.

A preliminary questionnaire for listing on the National Register is at:
http://www.michigan.gov/documents/mshda/mshda_shpo_20111107_national_register_preliminary_questionnaire_368049

If your property is already listed on the National Register or is eligible, and you intend to take advantage of the income tax credit for rehabilitation contact the Michigan Historic Preservation Office for advice and an application.

Michigan State Historic Preservation Office
702 W. Kalamazoo St., P.O. Box 30740
Lansing, MI 48909-8240
(517) 373-1630
preservation@michigan.gov

A 10% federal income tax credit may apply to the rehabilitation of a "Pre-1936 Non-historic Structure", however it must be an income producing building. This tax credit is available for a barn built before 1936. There is no requirement of a "Historic" connection.

The IRS form that you can use to apply for the 10% tax credit is at:

<<http://www.irs.gov/pub/irs-pdf/f3468.pdf>>

Please note: designation as a Centennial Farm does not *automatically* qualify the structure for these programs.