

Historic Barn Rehabilitation Tax Credit Frequently Asked Questions



New York State
Parks, Recreation and
Historic Preservation

- ◆ **How much is the tax credit?** *The amount of the credit is equal to 25% of the qualified expenditures incurred to rehabilitate your barn.*
- ◆ **What is the definition of a “barn” for purposes of this program?** *For this program, the term “barn” means a building that is or was used as an agricultural facility or for purposes related to agriculture.*
- ◆ **I don’t pay New York State taxes. Do I still qualify?** *No. You must be a New York State taxpayer and owe state income tax in order to receive the credit. The credit is applied to your NYS tax liability, so if you do not owe anything in NYS taxes, there is no way to receive the credit.*
- ◆ **Is there a cap on the amount of the tax credit?** *No, there is no cap on the amount of the tax credit allowed.*
- ◆ **Is the credit refundable?** *No, in most cases the historic barn credit is nonrefundable. However, if the amount of credit earned exceeds your NYS tax liability, you may carry over any unused credit for the next ten years to expend the balance. PLEASE NOTE: the credit IS refundable for new businesses if the taxpayer is a sole proprietor or a partner in a new business (or a shareholder in an S corporation that is a new business). A refund of the unused credit can be claimed instead of carrying over the balance. The refund option is only available during the first five tax years that the new business is in operation.*
- ◆ **Does my barn have to be listed in the State or National Register of Historic Places?** *No, it just needs to have been built prior to 1946.*
- ◆ **What if my barn was built after 1945?** *If your barn was built after 1945, it does not qualify for the program unless it is a contributing building to a State and/or National Register listed property or district.*
- ◆ **I don’t know the age of my barn. Is that a problem?** *Not a problem! Just include photos of your barn and our staff will determine if additional research is needed to date it. We can assist with research if needed.*
- ◆ **Is there a minimum amount I have to spend to rehabilitate my barn in order to qualify?** *Yes, you must spend at least \$5,000 to rehabilitate your barn in order to qualify for the program. The rehabilitation work can be interior-only, exterior-only, or both.*
- ◆ **What kind of work is allowed? Are certain kinds of work not allowed?** *In-kind repairs and some amount of retrofitting and replacement materials are generally allowed. Work that changes the historic appearance of the barn does not qualify. If you are unsure about the work you are planning, please contact our staff to discuss.*
- ◆ **Can I convert my barn to a residence and qualify for the program?** *No. PLEASE NOTE: The barn cannot have been used as a residence within one year prior to applying for the credit and the credit cannot be used to convert a barn for residential use.*
- ◆ **I already did work on my barn. Can I still claim the credit?** *Yes, you can still claim the credit on rehabilitation expenses incurred during a five-year period prior to filing for the tax credit. Your application must include “before” and “after” photos and demonstrate that the work did not change the historic appearance of the barn.*
- ◆ **Do I need to submit receipts and invoices along with my application?** *No; however you should keep all rehabilitation receipts, invoices, and records on file in case of an audit by the Department of Taxation and Finance.*

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- ◆ **My barn was moved from its original location, does it still qualify?** *Yes.*
- ◆ **I plan to move my barn, can I still apply?** *Yes, subject to our approval of the new location.*
- ◆ **I am restoring more than one barn that I own. Do I need to submit a separate application for each structure?** *If the barns are on the same property, you can submit a single application for both. If they are on different properties, separate applications should be submitted for each property.*
- ◆ **I co-own a barn with another taxpayer. Do we need to submit separate applications for the same project?** *No. You can submit a single application and, upon project completion, one certificate of completion will be issued. It will be up to the owners to decide how do divide the credit on their tax claim form.*