

HB 309 – Heritage Tax Credit Overview
as amended by the Ways and Means Committee

- Maintains the credit as a 20% refundable credit awarded through a competitive ranking and rating process.
- Maintains the commercial project cap at \$3 million and residential project cap at \$50,000.
- Maintains the appropriation of credit funding through the annual State budget.
- Removes the restriction that a single jurisdiction may not receive more than 75% of the appropriated tax credits.
- Extends the credit sunset by four years.
- Provides a bonus credit of 5% for a commercial project which achieves a LEED certification of Gold or higher, defined as a high performance building.
- Provides that the credit can be recaptured if a project is sold within five years of receiving the credit.
- Provides that any proposed rehabilitation that includes at least 30 residential rental units must set aside at least 10% of the total residential rental units for low or moderate income households whose median income does not exceed 60% of the area median income.
- Adds eligibility provisions for members of housing cooperatives and the residential credit.
- Adds a provision that favors the award of tax credits for projects that exceed certain ASHRAE (air conditioning, heating, etc.) requirements.
- Adds language related to the denial of credit applications once substantive construction has begun and the expiration of credit certificates under certain circumstances.