



# HARFORD COUNTY HISTORIC PRESERVATION TAX CREDIT APPLICATION INSTRUCTIONS

***Applicants who plan to combine state and county tax credits must obtain approval from Maryland Historical Trust (MHT) prior to starting the application for County Tax Credits. MHT tends to be more conservative in their review. A project approved by the Harford County Historic Preservation Commission may not be approved by MHT. Having prior approval from MHT can expedite the County's tax credit process.***

Harford County offers two types of local property tax incentives for the restoration and preservation of properties designated as Harford County Historic Landmarks and Districts. Property owner(s) must apply for the credit on or before December 31<sup>st</sup> prior to the tax year for which the credit is requested:

1. **Tax Credit for Restoration Costs for Historic Landmarks** (§123-43.5.1). This type of tax credit offers an amount equal to 10% of the qualified rehabilitation expenses (QREs) but may not exceed \$7,500. Taxpayers are eligible for this credit until the awarded credit is exhausted, 6 years maximum.
2. **Tax Credit for Added Value of Restored Historic Landmarks** (§123-43.5.2). This type of tax credit offers an amount equal to the difference between the property tax after the completion of eligible improvements and what the tax would have been without the improvements. Taxpayers are eligible for this credit for 5 years.

## **Eligible Work Includes:**

1. The repair, replacement, or reconstruction of exterior features of the building(s) or structure(s).
2. Work that is necessary to maintain the historic and physical integrity of the building(s) or structure(s) regarding safety, durability, or weatherproofing. This may include repair or replacement of existing plumbing, electrical, and mechanical systems.
3. Maintenance of the exterior of the building(s) or structure(s), including routine maintenance.
4. Repair or maintenance of historic site features such as gravestones, walls, or fencing.
5. Tool or equipment rental.

## **Ineligible Work Includes:**

1. New construction or additions to existing structures.

2. Interior work that is not necessary to maintain the structural integrity of the building (ex. interior painting or floor refinishing).
3. Maintenance or installation of non-historic landscape features such as sidewalks, patios, decks, and driveways.
4. Pest control that is not necessary to maintain the structural integrity of the building
5. Chimney sweeping, drain cleaning, general landscaping (except to repair damage incurred during an eligible project), etc.
6. Tool or equipment purchase.

### **The Application Process**

1. The applicant must complete a **Certificate of Appropriateness (COA) Application** for the proposed project before any work begins. The proposed project must comply with the *Harford County Historic Preservation Design Guidelines*. For tax credit purposes, all work must receive a COA, even if it is considered routine maintenance (ex. painting). See the *Certificate of Appropriateness Application Instructions* for further information.
2. The applicant must submit the COA to the **Harford County Historic Preservation Commission (HPC)** for review at one of its monthly public meetings. The HPC meets on the first Wednesday of each month. The COA must be received by the **submission deadline** prior to the meeting to allow time for staff review and, if necessary, revisions. The list of meeting and submission deadline dates can be found on the County's Historic Preservation website.
3. After the COA is approved by the HPC, the applicant must obtain building permits for approved work, if required, and perform the work in accordance with the approved COA. Any deviation from the COA requires new approval by the HPC.
4. Upon completion of the work, the applicant must complete a **Certification of Completed Work Application** and an **Itemized Expense Sheet** (see instructions below).
5. The applicant must submit the Certification of Completed Work Application and Itemized Expense Sheet to the HPC for review at one of its monthly public meetings. The HPC meets on the first Wednesday of each month. The documents must be received by the submission deadline prior to the meeting to allow time for staff review and, if necessary, revisions. The list of meeting and submission deadline dates can be found on the County's Historic Preservation website.
6. After receiving the HPC's approval, the **Department of the Treasury** will issue the requested tax credits.

**For Historic Preservation Questions and Submissions:**

By e-mail: [historic@harfordcountymd.gov](mailto:historic@harfordcountymd.gov)  
By US Mail: Harford County Department of Planning & Zoning  
Attention: Historic Preservation Commission  
220 South Main Street  
Bel Air, MD 21014

**For Tax Questions:**

Department of the Treasury: 410-638-3315

**ITEMIZED EXPENSE SHEET INSTRUCTIONS**

***Applicants who plan to combine state and county tax credits should submit copies of the MHT Itemized Expense Sheet in lieu of this document.***

**Column 1: Date of payment**

The spreadsheet should be filled out chronologically according to date of payment, starting from your first payment. You should use the date of the cancelled check or credit card payment as your “Date of Payment” – not the date of the invoice.

**Column 2: Page Number reference for invoice or receipt**

For each item on the spreadsheet, you must include **BOTH** (1) a copy of the invoice or receipt, showing which goods or services were purchased and (2) certifiable proof of payment such as a credit card receipt or cancelled check. In many cases, a credit card receipt (such as an itemized receipt from the hardware store) will suffice for both purposes. Please submit copies of the proof of payment with sensitive information and account numbers redacted or blacked out for security purposes.

Certifiable proof of payment may consist of one of the following:

1. A dated credit card receipt;
2. A cancelled check;
3. A bank statement showing the check number, date, payee name, and amount; or
4. A signed statement from the contractor or vender stating the amount paid (an invoice simple marked “PAID” or \$0 balance is not sufficient).

The Department of Planning and Zoning strongly suggests that you photocopy one invoice or receipt per sheet of paper, then place these in chronological order (using the date of invoice or receipt) and number them consecutively, using a unique number for each sheet of paper. Ideally the invoice or receipt for each transaction would be grouped together and numbered consecutively. The unique page number that you have assigned to the invoice or receipt should be entered in Column 2.

**Column 3: Payee for item (name of contractor, company, etc.)**

In this column you should note the name of the contractor, vendor, or company to whom you made the payment.

**Column 4: COA Work Item No.**

In this column, you should indicate the “COA Work Item” number. This number should match the numbered items from the “Description of proposed work” section from the COA application that corresponds to the expenditure. If one expenditure applies to multiple “COA Work Items”, please list all items numbers using one of two methods (see examples below).

**Column 5: Description of expenditure**

In this column you should briefly describe the expenditure. It is not necessarily important to reiterate the description of the COA Work Item No. – it is more important to be clear about what work or what item you paid for.

**Column 6: Expenditure Amount**

In this column you should note the amount of the expenditure (or portion of the expenditure, depending on how you fill out Column 4. See examples below).

**Column 7: Eligible Expense and Column 8: Ineligible Expense**

In these columns you will separate the expenditure into eligible and ineligible amounts. The total of eligible and ineligible amounts must total the expenditure amount in Column 6.

**Additional Notes:**

The spreadsheet is set up to include formulas that will automatically calculate totals when you enter amounts into Columns 6-8. If you need more lines on the spreadsheet, you should click to select a row number on the left-hand side of your window, then right-click on the selected row and select “Insert”. This should not affect the formulas that have been entered – but it is always important to double check that all totals are correct before you submit! If you have ineligible funding sources, you will note those on the appropriate line within the grey box. Again, the spreadsheet formula should automatically calculate the total.

(1) If several Work Items apply, you may either list all “COA Work Item” number in one line:

| Date of Payment | Your page #(s) of Invoice/receipt/check | Payee for Item (name of Contractor, company, etc.) | COA Work Item No. | Description of Expenditure             | Expenditure Amount | Eligible Expense | Ineligible Expense |
|-----------------|---|--|-------------------|--|--------------------|------------------|--------------------|
| 4/23/2012       | 1-4                                     | Example’s Hardware                                 | 1 & 2             | Hardware, caulk, paint and paint brush | \$62.50            | \$62.50          |                    |

(2) Or you may use one line for each expenditure:

| Date of Payment | Your page #(s) of Invoice/receipt/check | Payee for Item (name of Contractor, company, etc.) | COA Work Item No. | Description of Expenditure | Expenditure Amount | Eligible Expense | Ineligible Expense |
|-----------------|---|--|-------------------|----------------------------|--------------------|------------------|--------------------|
| 4/23/2012       | 1-4                                     | Example's Hardware                                 | 1&2               | Hardware                   | \$ 18.00           | \$18             |                    |
|                 |   |  |                   | Caulk                      | \$12.00            | \$12             |                    |
|                 |   |  |                   | Paint                      | \$20.50            | \$20.50          |                    |
|                 |   |  |                   | Paint brush                | \$12.00            | \$12             |                    |

# Certification of Completed Work

Historic Preservation Tax Credit Application

## General Property Information

Landmark/District \_\_\_\_\_ Inventory No. \_\_\_\_\_  
Address \_\_\_\_\_  
City/Town, ZIP \_\_\_\_\_  
Tax ID Number \_\_\_\_\_

## Applicant

(Property Owner)

Name (s) \_\_\_\_\_  
Address \_\_\_\_\_ Telephone \_\_\_\_\_  
City/Town \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_  
Email Address \_\_\_\_\_

## Contractor

Name (s) \_\_\_\_\_ Cellphone \_\_\_\_\_  
Address \_\_\_\_\_ Telephone \_\_\_\_\_  
City/Town \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_  
Email Address \_\_\_\_\_

Property/ Homeowner completed the work without the assistance of a contractor: \_\_\_\_\_

## Project Data

COA Approval Date \_\_\_\_\_  
Project Start Date \_\_\_\_\_ Project Completion Date \_\_\_\_\_  
Total Project Cost \_\_\_\_\_  
Total of Ineligible Costs \_\_\_\_\_  
Total Qualified Rehabilitation Expenditures (QRE) \_\_\_\_\_  
(the 10% tax credit will be based on this amount, which may not exceed \$7,500)

## Itemized Expense Spreadsheet

Attach the itemized spreadsheet and supporting documentation (paid invoices/receipts/cancelled checks) to this application. Supporting documentation must be keyed to the spreadsheet. Include both eligible and ineligible expenses.

**Mandatory Application Checklist**

**Instructions:** After completing your application, print and fill out this checklist to ensure that your application contains the documentation required for HPC review. Read and check each line carefully; the application review period will not begin until a completed application with checklist is submitted.

- GENERAL APPLICATION FORM** – I filled in all applicable fields. I understand that missing information will not be filled; therefore if my application is missing information it will be returned.
- ITEMIZED EXPENSE SPREADSHEET-** I have included a spreadsheet of all of my itemized expenses, filled out according to the instructions, with eligible and ineligible expenses clearly delineated. For each item on the spreadsheet I have included supporting documentation consisting of BOTH (1) a copy of the invoice or receipt, showing which goods or services were purchased, and (2) certifiable proof of payment such as a credit card receipt or cancelled check. All supporting documentation is keyed to the spreadsheet.
- PHOTOGRAPHS** – I have included 1 set of clear, color photographs on 4"x6" photo paper OR high resolution digital photographs showing my completed project that correspond to my photographs in my approved COA application. Photographs or photo files are numbered and clearly labeled (including address, date of photograph, and brief description).
- SIGNATURE** – I signed and dated the application after printing.

*I attest that I have read and understand the Certification of Completed Work application and have attached the appropriate supporting documentation required.*

*I hereby apply for certification of completed work for purposes of the Harford County Historic Preservation Tax Credit, in accordance with the Annotated Code of Maryland Tax Article 9-204 and 9-204.1, and Harford County Ordinance, 123-43.5.1 and 123-43.5.2. I hereby attest that, to the best of my knowledge, the information provided is correct, and that the completed work is consistent with the work described in my Application for Certificate of Appropriateness, the Harford County Historic Preservation Design Guidelines, and the Secretary of Interior’s Standards for the Treatment of Historic Properties.*

**Applicant Signature** \_\_\_\_\_

**Date** \_\_\_\_\_

**Application Deadline:**

Application materials are due by the submission deadline prior to the regularly scheduled meeting to be reviewed by the Harford County Historic Preservation Commission.

**SEND THE COMPLETED APPLICATION TO:**

**historic@harfordcountymd.gov**

or

**Harford County Department of Planning & Zoning  
Attention: Historic Preservation Commission  
220 South Main Street  
Bel Air, Maryland 21014**

**Harford County Historic Preservation Commission Certification of Completed Work**

**Date of Staff Site Visit:** \_\_\_\_\_

The Historic Preservation Commission, in conjunction with the Department of Planning and Zoning has reviewed the *Certification of Completed Work* application, for the above mentioned Harford County Historic Landmark, and has determined that:

- the completed rehabilitation is consistent with the proposed work approved under the Application for Certificate of Appropriateness, the Harford County Historic Preservation Design Guidelines, and the Secretary of the Interior's Standards for the Treatment of Historic Properties. Effective the date indicated below, the rehabilitation of the County Historic Landmark is hereby **certified**.
  
- the completed rehabilitation is not consistent with the proposed work approved under the Application for Certificate of Appropriateness, Harford County Historic Preservation Design Guidelines, and the Secretary of the Interior's Standards for the Treatment of Historic Properties and therefore certification is **denied**.

\_\_\_\_\_  
**Chair, Harford County Historic Preservation Commission**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Harford County Historic Preservation Planner**

\_\_\_\_\_  
**Date**