



Montgomery Planning

Historic Preservation Office

# An Introduction to County Historic Preservation Tax Credits

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# What is the Montgomery County Historic Preservation Tax Credit?

- 25% tax credit of documented expenses for exterior maintenance, restoration, or preservation work exceeding \$1,000.
- Credit is applied against County property taxes.



# Eligibility Requirements

- Work must be exterior in nature only;  
*Interior work is **NOT** eligible!*
- Work must be performed by a licensed contractor;
- Work must be certified by the Historic Preservation Commission (HPC) as contributing to the restoration or preservation of sites and districts on the Master Plan for Historic Preservation:
  - Work requiring a Historic Area Work Permit (HAWP) must have received approval from the HPC.
  - Ordinary maintenance expenses must exceed \$1,000.

# So what's allowed?

Examples of eligible projects (but not limited to):
Exterior painting
Window rehabilitation
Roof repairs or in-kind replacement
Repairing architectural trim or ornamentation
Repairing outbuildings (garages)
Original siding rehabilitation
Repointing brick or stone foundations or chimneys
Professional services, such as design fees and structural reports

# What's not allowed?

Examples of ineligible projects (but not limited to):
New construction or a new addition
Repaving driveways
Work requiring an approved HAWP completed without the approval of the HPC
Interior work
The value of labor unless performed by a licensed contractor
Landscaping
Repairing mechanical equipment
Tool and equipment purchases



# Application Requirements

Step 1: Complete Application and Receipts  
Transmittal Form;

Step 2: Description of the work that was done:

- General property description;
- Explanation of what rehabilitation/maintenance problems you are trying to resolve;

Step 3: Proof of Payment:

- Itemized receipts that are clearly marked and separated from any non-eligible expenses;

Step 4: Before and After Photos.



# Online Application

- Applications are now available online!
  - The County's tax credit application can now be filled out and submitted electronically.
- Electronic submissions are preferred; however, paper applications are still being accepted.
- Electronic applications are available on our website.

**Application for Historic Preservation Tax Credit**

Owner's Name \_\_\_\_\_

Owner's Mailing Address \_\_\_\_\_

Address where the work was completed \_\_\_\_\_

Daytime Telephone Number \_\_\_\_\_

Cell Phone number \_\_\_\_\_

Email Address \_\_\_\_\_

Property Tax Account Number \_\_\_\_\_

I. The property is listed in the Master Plan for Historic Preservation as:

Site Name or Historic District: \_\_\_\_\_

Have you applied for or did this project receive a Historic Area Work Permit? ☐ Yes ☐ No  
If so, please attach a copy of your approval memo from the Historic Preservation Office or the Department of Permitting Services.

Did you apply for or did this project receive a Maryland state or federal historic preservation tax credit? ☐ Yes ☐ No  
If so, please attach a copy of your complete application.

II. In accordance with Chapter 52, Article VI, of the Montgomery County Code, I request a credit to my county property taxes for the following work:

☐ Restoration and preservation work at an individually designated historic site or an historic resource within an historic district that was the subject of an approved Historic Area Work Permit (HAWP) and qualifies under Chapter 52, Article VI.

☐ Ordinary Maintenance on a historic site or historic resource within an historic district where the amount expended exceeds \$1,000.

III. I have read the attached guidance on how to apply and the *Helpful Guidance and Tips for Complete Tax Credit Packages*; have completed my application package including all attachments; and have completed and signed the Receipts Transmittal Form.

Signature \_\_\_\_\_ Date \_\_\_\_\_

If you are unable to use the electronic signature field, please make sure that you are using [Adobe Acrobat](#) to complete the form.



# Timing and Deadlines

- The credit is applied to County property taxes the year after the work is completed.
- Applications are due to the Historic Preservation Office on **April 1<sup>st</sup>** following the year in which the work was completed.
- Applications are reviewed by the HPC during the spring/summer of that calendar year.
- Approved tax credits are applied to tax bills issued to property owners later in the year.
- Unused portions of the tax credit can be carried over for up to five years.





# Example

- An owner of a County-designated historic property completes a painting project in October 2019.
- The property owner submits a complete Historic Preservation Tax Credit application by the deadline of April 1, 2020.
- HP staff reviews the application and recommends approval of all eligible expenses.
- The HPC agrees with staff's recommendations, and the application is forwarded to the County Department of Finance at the conclusion of the tax credit review period.
- The County Department of Finance adjusts the applicant's 2020 property taxes for 25% of the eligible expenses, in accordance with the HPC's decision
- Any unused portion of the tax credit is carried over for up to five years.



# Information & Resources

Please visit our website at the link below for additional information and resources, including the new online application:

<http://montgomeryplanning.org/planning/historic/tax-credit-program/>



Questions?