

Kansas Historical Society

Rehabilitation Certification Application Instructions for the Kansas State Rehabilitation Tax Credit

Read the following instructions carefully before completing the application for the Kansas State Rehabilitation Tax Credit program. Please type or print clearly. If additional space is needed, use continuation sheets or attach blank sheets.

Please contact the State Historic Preservation Office (SHPO) if this is your first tax credit project, if you have any questions, or if you need any assistance filling out the forms.

All forms should be submitted to the Historic Preservation Office at the following address (unless otherwise noted):

ATTN: Tax Credit Program
Cultural Resources Division
Kansas Historical Society
6425 SW Sixth Avenue
Topeka, KS 66615-1099

Please note that forms submitted electronically to the SHPO staff are not an official application and will not be accepted. All forms must be printed and submitted with the owner's original signature.

The State Preservation Office is given 30 days, by law, to review the project from the date of receipt. Please submit your application with enough time to allow the State office time to complete its review.

There are 3 parts to this application.

- Part 1 is the Qualified Historic Structure Certification (Contributing Status Certification).
- Part 2 is the Qualified Rehabilitation Certification (Scope of Work).
- Part 3 is the Rehabilitation Completion Certification (Closing paperwork).

There is also additional information about photographic requirements at the end of the application instruction.

Part 1 and Part 2 are to be completed and submitted and approved before the rehabilitation project begins. Part 3 is submitted when the project is completed. Please refer to the specific project sections below for instructions on completing each portion of the application.

If you are applying for the Federal Tax Credit Program (available for commercial buildings), you do not need to fill out a separate State Tax Credit Application. You will only be required to complete a State Part 3 when the work is completed. Please contact our Federal Tax Credit Reviewer if you have any questions about the two programs and how they work together.



Part 1 – Qualified Historic Structure Certification

Kansas State Rehabilitation Tax Credits are available for any qualified project on a qualified historic structure. Qualified historic structures are those buildings listed on the National Register of Historic Places or the Register of Historic Kansas Places, or are located in a registered historic district and are certified as contributing to that district. To check on whether your property is listed individually or as part of a district, you may consult our website at www.kshs.org/resource/registerhome.htm and search the database to find your property.

Applicants with buildings listed individually on the National or State register need not file Part 1 of this application unless the property owner is a 501(c)3 organization. Part 1 is used to certify that buildings within registered historic districts are contributing to the historic significance of that district and to certify that property owners with IRS certification letters documenting their 501(c)3 status are eligible for a 30% tax credit.

If using these forms to change the contributing status of a building to a historic district, the information included in Part 1 must be sufficient enough to allow the reviewers to make a judgment about how the building relates to the district as a whole and to determine what features of the building encompass its historic character. Usually the information provided on the form along with supporting photographs is sufficient. The State Historic Preservation Office will contact you if more information is needed.

If your building is located in a historic district and was previously considered as a contributor but has undergone significant alteration since listing, your building status may be changed to non-contributing, making your project ineligible for Tax Credits. Please contact our office if you have any concerns or questions about changes to the building or changes in the building's integrity.

The following National Park Service Standards govern whether buildings within a historic district contribute to the significance of the district.

1. A building contributing to the historic significance of a district is one, which by location, design, setting, materials, workmanship, feeling and association adds to the district's sense of time and place and historical development.
2. A building not contributing to the historic significance of a district is one that does not add to the district's sense of time and place and historical development; or one where the location, design, setting, materials, workmanship, feeling and association have been so altered or have so deteriorated that the overall integrity of the building has been irretrievably lost.
3. Ordinarily buildings that have been built within the past 50 years shall not be considered to contribute to the significance of a district unless a strong justification concerning their Historical or Architectural merit is given or the historical attributes of the district are considered to be less than 50 years old.

Completing Part 1 Forms

Property Name: Many historic buildings have a property name. Generally this is related to the most prominent resident or the person who built the structure. Often it is the street address of the property. If you do not know the historic name of your building you may contact the SHPO, you may also look up the property on www.kshs.org/resource/registerhome.htm to see if there is a listed historic name.

Historic Date of Construction: If known, please include the date the building was originally constructed.

Historic District: Please give the name of the National or State Register Historic District in which the property is located.

Contributes to District: If your property is currently listed as a contributor to a historic district, please check the “yes” box. If your building is currently a non-contributor (even if you applying to change the status) please check the “no” box. If you unsure of your property’s status, please check our website at the link given above for a listing of all districts and properties.

Address of Property: Please provide a complete address, including the street, city, county, state, and zip code for the property.

Owner: Only the owner of a property may apply for this tax credit. Enter the owner’s name, organization, social security number, address, and telephone number. The owner **MUST SIGN AND DATE** the application before it is submitted to the SHPO for final approval.

Non Profit Owners: If the organization that owns the property is an IRS Certified 501©(3) tax-exempt organization, then they may be entitled to a 30% Tax Credit (instead of the 25% Credit). The organization seeking the 30% credit must verify that they have approved 501©(3) status. If you are unsure, or seeking to gain 501©(3) status, please contact the IRS for further information. www.irs.gov

Photographs: Provide several general views of the exterior of the property. Be sure the building can be seen from top to bottom in the photographs. Usually four views are sufficient.

Please refer to “Photo Requirements” for specifications for printing and submitting photos (on CD or paper).

Send the completed form with the owner’s original signature and supporting photographs to the State Historic Preservation Office (address above).

Parts 1 and 2 of this application may be submitted together.

Part 2 – Qualified Rehabilitation Certification

The Part 2 forms must be completed and signed by all persons seeking to have rehabilitation projects certified for the purposes of the Kansas State Rehabilitation Tax Credit program. If more than one owner owns the property, additional owners and their ownership percentages must be given on the Additional Owners form. If a property is owned by an LLC, a breakdown of the partners and their ownership percentage must be submitted.

If a married couple that files their taxes jointly owns the property, then they only need put one person’s information on the application. If they file separately, the must submit a continuation sheet.

Part 2 must be approved by the SHPO prior to initiation of the project, no exceptions. The State Historic Preservation office will review all applications in the order in which they are received, and within 30 days. Applicants will be notified in writing when their application is approved.

All projects are reviewed and evaluated in accordance with the Secretary of the Interior’s Standards for Rehabilitation. The entire proposed rehabilitation project must meet the Standards in order to be approved. If portions of the project do not meet the Standards, the Tax Credit Reviewer will contact you to discussion other options.

The Secretary of the Interior’s Standards for Rehabilitation have been developed to guide work undertaken on historic buildings. The “Rehabilitation” Standards, used for all Tax Credit Projects, assume that some repair or alteration of historic buildings will be needed in order to provide for an efficient contemporary use; however, these repairs and alteration must not damage or destroy historic materials, features, or finishes that are important in defining the building’s historic character.

The Secretary of the Interior's Standards for Rehabilitation:

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Applicants must submit a sufficient number of good, clear photographs with Part 2 to document the areas of proposed work **prior to** any rehabilitation work. When the project involves both interior and exterior changes, both areas must be documented. The more photographs provided, the better reviewers are able to evaluate the project. Additional photographs may be requested by the SHPO during preliminary review. All photographs must be hard copies on photo-quality paper. **Emailed images will not be accepted for final review.** Photographs should not be attached to paper or organized in a binder. Simply submit the photographs in a stack bound with a rubber band. All photographs become the property of the Kansas State Historical Society.

Rehabilitation projects will not be certified until the appropriate processing fee is received by the SHPO. Fees are based on the total of qualifying expenses and are nonrefundable. Please submit your processing fee with your application forms. Checks may be made out to the Kansas State Historical Society (write "Tax Credit" in the memo). Please contact the SHPO if you would like to pay by credit card.

Qualified Estimated Expenditure	Required Fee
\$5,000 – \$25,000	\$ 200
\$25,001 – \$50,000	\$ 350
\$50,001 – \$100,000	\$ 500
\$100,001 – \$500,000	\$ 900
\$500,001 – \$1,000,000	\$1,500
Over \$1,000,000	\$2,000

Completing Part 2 Forms:

Part 2 Cover Sheet: This form is to be signed by the building owner, and contact person (if applicable) to indicate that the applicants have read these instructions and the Secretary of the Interior's Standards for Rehabilitation. According to the State Tax Credit Program regulations, all work undertaken during an ongoing project must meet the Standards in order for credits to be awarded. Please sign the cover sheet to acknowledge that you understand that the projects are subject to these rules.

The SHPO will assign the project a project number upon receipt of the project.

Property Name: Many historic buildings have a property name. Generally this is related to the most prominent resident or the person who built the structure. Often it is the street address of the property. If you do not know the historic name of your building you may contact the SHPO, you may also look up the property on www.kshs.org/resource/registerhome.htm to see if there is a listed historic name.

Address of Property: Please provide a complete address, including the street, city, county, state, and zip code for the property.

Project Data: Provide date of construction and types of materials used in the original construction (i.e. masonry, wood frame, concrete). Give the Historic use of the building; the Current use of the building, and the Proposed use after the rehabilitation project. Will the project alter the size of the interior of the building in any way (yes or no). Provide the estimated total cost of the rehabilitation. The estimate may be very rough. There is no need to submit official bids or estimates from contractors. Enter the estimated start date and completion date of the project. Remember, the state rehabilitation tax credit must be claimed in the year in which the project is completed. Keep that in mind when proposing large projects that may spread over several years. It may be more economically feasible to break up large projects and submit separate applications so an owner can take the tax credit at the end of each year's work.

Contact Information: Provide the name, address, and daytime telephone number of the person to whom inquiries regarding specifics of the application should be made. This does not necessarily need to be the property owner, but it should be someone who can discuss the project in detail.

Owner: Only the owner of a property may apply for this tax credit. Enter the owner's name and social security number or the organization and taxpayer identification number for that organization if applicable. Enter the property owner's address, telephone number, and e-mail address if available. **The owner or an authorized representative of the ownership organization should sign and date the application before it is submitted to the SHPO for final approval.**

Permission to Contact: Potential Tax Credit buyers often contact our office to find people interested in selling their State Tax Credits. If you wish to allow us to give your **phone number or email** to potential Tax Credit buyers so that they may contact you about buying your credits, please check "Yes." If you do not want your information to be release your phone number or email to potential buyers, please check "No."

By checking this box it does not ensure that someone will contact you. Your name and phone number will be placed on a list that we give to interested buyers when they request a list of our open projects. We urge you to contact a financial professional when buying or selling Tax Credits.

Detailed Description of Rehabilitation/Preservation Work: In the numbered blocks, provide a description of the project work. Describe the entire project, even if portions are not considered qualified expenses. The entire project must meet the Secretary of the Interior's Standards for Rehabilitation to qualify for the state rehabilitation tax credit.

Use separate blocks to describe each feature or work item (see example below). In the left block, identify the architectural feature requiring the work and indicate the approximate date of the feature. Describe the current condition of the feature. Photographs should accompany the application and be numbered to correspond with these items. Enter the photograph numbers at the bottom of the left block. Similarly, if drawings accompany the application, number them and enter the number at the bottom of the left block.

Please refer to the Photo Guidelines section for details on photo submissions.

Number 1	Architectural Feature	Exterior brick walls	
	Approx. Date of Feature	1884	
Describe existing feature and its condition: Soft, historic brick with butter joints in poor condition. Mortar is crumbling. Black soiling under downspouts.			
Photo no.	1-1.5	Drawing no.	
Number 2	Architectural Feature	Wood floors	
	Approx. Date of Feature	1884	
Describe existing feature and its condition: Hardwood floors are warped in some places and the finish is severely scratched.			
Photo no.	2-2.3	Drawing no.	
Describe work and impact on existing feature: Walls will be washed using a biocide to kill organic growth and a lower power water spray (less than 200 psi). Wall will be repointed according to attached guidelines; using only hand tools and appropriate mortar mix for the soft brick.			
Describe work and impact on existing feature: Replace in kind boards that are too warped to repair. Sand and refinish floor using non-polyurethane finish that matches color and sheen of original.			

Use the right block to describe, in detail, the rehabilitation work to be undertaken. Describe the effect (visual, structural, or other) the work will have on the feature.

Continuation/Amendment Sheet: Part 2 contains 20 blocks for description of rehabilitation work. If more room is needed, applicants may continue information on a blank sheet of paper or on the continuation sheet provided. Be sure to note whether the sheet continues Part 1 or Part 2 or amends Part 2.

If, during the course of the project, plans for rehabilitation work change from those set forth in the approved application, owners must submit an amendment sheet to the SHPO for further review. This is to insure that the new treatment meets the Secretary of the Interior's Standards for Rehabilitation.

Part 3 – Rehabilitation Completion Certification

A project does not become a “certified rehabilitation” eligible for tax incentives until it is completed and certified by the SHPO and the costs are qualified and approved by the Kansas Department of Revenue. Upon completion of the rehabilitation project property owners must submit Part 3 along with photographs documenting all areas of completed work as well as Schedule 1 and Schedule 2 costs sheet. A copy of the forms will be provided to the Kansas Department of Revenue.

Completing Part 3 Forms:

Name of Property: Enter the Historic Name given to the property.

Address of Property: Please provide a complete address, including the street, city, county, state, and zip code for the property.

Project Data: Enter the date the project started and the date of completion. Please note that "Placed in Service" means the date the building was placed back into service after this project. Enter the total amount spent on qualifying expenses and the total amount spent on non-qualifying expenses in the appropriate boxes. Contact the SHPO if you are not sure what expenses qualify.

Owner: Only the owner of a property may apply for this tax credit. Enter the owner's name and social security number or the organization and taxpayer identification number for that organization if applicable. Enter the property owner's address, telephone number, and e-mail address if available. The owner or an authorized representative of the ownership organization should sign and date the application before it is submitted to the SHPO for final approval.

If more than one person owns the property or there are multiple partners within an ownership organization, information for each additional owners must be provided as requested on the continuation sheet provided. All owners must provide taxpayer identification numbers and ownership percentage information.

Schedule 1 and Schedule 2:

Schedule 1 and Schedule 2 are required by the Dept. of Revenue for all projects that are requesting State Tax Credits. The Schedules are used to determine the qualifying expenditures for each project. They are reviewed by the Dept. of Revenue but are submitted to the SHPO office along with the Part 3 forms.

You are not required to submit invoices along with the Schedules, but you may if you wish.

If there are any questions about your expenses, you may be contacted by someone from the Dept. of Revenue.

****Please contact a tax professional about possible state and federal tax implications related to transferring and claiming State Income Tax Credits.**

Thank you for completing the application for Kansas State Rehabilitation Tax Credits.
Please submit the applications to:

**Tax Credit Program
Cultural Resources Division
Kansas Historical Society
6425 SW 6th Ave.
Topeka, KS 66615-1099**

The application will be reviewed within 30 days upon receipt.

If you have any questions or need any assistance with these forms, please contact the Cultural Resources Division at 785-272-8681 ext. 240 or cultural_resources@kshs.org

State Tax Credits

Photographic Requirements

Photos must accompany all Tax Credit Applications. The requirements below are for State Tax Credit Projects only. All Federal Tax Credits are subject to Federal Photographic Guidelines.

Emailed photographs will not be accepted.

You may submit photographs per one of the two types below (there is no need to send both)

For Printed Photographs:

- Photos must be printed on photo paper or high quality paper designed for photos and images.
- All photos must be 4x6 inches or larger
- Photos must be clear and illustrate all areas of proposed work
- Appropriate adjustment must be made when dealing with light and shadow in photos.
- All photos must be labeled with the building address and individually numbered to correspond with the Scope of Work.
- Photos may be taken with a digital camera or 35mm film.

For Photographs on CD:

- Photos must be .JPG format
- Photos should be taken at a minimum dimension of 500x800 pixels per inch.
- They should be in color
- Photos must be clear and illustrate all areas of proposed work
- Appropriate adjustment must be made when dealing with light and shadow in photos.
- Each photo should be named with the address and the photo number that corresponds to the Scope of Work
- The CD should be labeled with **permanent ink** (no labels on the CD) with the building address, building name (if available) and the appropriate "Part" of the State Tax Credit Application that the photos show.
- Do not use a photo CD program that does not allow images to be saved or transferred (some cds printed by photo processing centers do not allow for images to be changed or saved).

CD labeling examples:

Photo Name:

CountyName_BuildingName_Date_Photo#.jpg

CD Name:

123 Preservation St.

Weiston House

Part 2 Photos

Printed Photo Labeling example:

Weiston House, 123 Preservation Street, #1

Part 1 Photographs:

If your building is in a Historic District, you are required to submit a Part 1 of the State Tax Credit Application. A photograph of the front façade of the building should accompany the Part 1. All photos should clearly show the building as it currently appears. This is required to determine if the building is still a contributor to the district.

Part 2 Photographs:

Photos should clearly illustrate the work that is to be done. Some items are not possible to photograph such as plumbing and electrical systems within walls, but any other items that are to be repaired, replaced, or removed must be clearly documented in photographs.

Failure to include clear photos of work items may delay the review and approval of your project.

Part 3 Photographs:

Photos should show all completed work. All items addressed in the Part 2 should have a corresponding Part 3 photo showing the completed work.

All photos and CDs will be stored with the archival file of the historic property at the Kansas Historical Society. Some general images may be uploaded to the Historic Resources Inventory Database as a record of the building – see <http://newman.kgs.ku.edu/hri/>.