



Guidance for Completing MHC's Application Forms for State Historic Rehabilitation Tax Credit (HRC) Program Historic Preservation Application

This checklist is provided to ensure that your HRTC application is complete when submitted to the MHC, allowing the MHC to fully evaluate your application in accordance with the criteria set forth in the regulations (830 CMR 63.38R.1). Incomplete applications may result in delayed Part 1, 2, and/or 3 Certifications.

There are three application cycles (rounds) per year. The deadlines for applications are January 15, April 30, and August 31. Application deadlines that fall on a weekend or legal holiday will be the following MHC business day. Applications must be received by **5:00 PM** on the day of the deadline in order to be considered for the round. Faxed and emailed applications are not accepted. There are no application fees at this time. Program regulations are [830 CMR 63.38R.1 in the Department of Revenue](#) and contain additional information relating to tax filings.

Please note the following:

- 1) Each Part 1, Part 2, or Part 3 application for the MHC HRC Historic Preservation Certification must include a certificate of compliance issued by the Department of Unemployment Assistance (DUA) showing that the entity seeking credits is current in all its DUA obligations relating to its contributions, payments in lieu of contributions and employer assistance contributions. For further information see: <http://www.sec.state.ma.us/mhc/mhcpdf/tax-credit-new-requirement.pdf>
- 2) Separate applications must be filed for each project.
- 3) In order to be considered for an allocation, both Part 1 and Part 2 applications must be received by the application deadline.
- 4) For applications already on file at the MHC from previous rounds, for reconsideration in the next application cycle, the following information must be received by the application deadline: a newly completed application form cover page for Part 1 and Part 2, updated letters of support, an updated estimated project budget with a new pro forms detailing overall project costs and certified rehabilitation expenditures, a valid DUA Certificate, an Executive Agent/Lobbyist Questionnaire, and any additional information with which the existing application may be supplemented.
- 5) Application forms are available for download at: www.sec.state.ma.us/mhc
- 6) For additional guidance on completing HRTC application forms and the review process, see the MHC's April 8, 2016 training program: <http://www.sec.state.ma.us/mhc/mhcpdf/Tax-Credit-Training.pdf>

PART 1: EVALUATION OF SIGNIFICANCE APPLICATION CHECKLIST

Completed [Part 1: Evaluation of Significance Application Form](#). Complete all fields.

*Please note: The owner must **sign and date** the application. Please submit the application with an original signature. If the owner of the property is a partnership or corporation, provide the names of the entity **and** the person who signs the form. If the property has multiple owners, the names, addresses, and Social Security or Taxpayer Identification Numbers **must** be listed on a separate continuation sheet.*

USGS map with the project's location, and, if applicable, its location within the historic district.

If no determination of eligibility has been made, or if the survey form is outdated, a **Massachusetts Historical Commission Inventory Form B** (or Form A, as appropriate). Inventory forms and instructions are available for download at: <http://www.sec.state.ma.us/mhc>. Please submit photographs of the property's **interior and exterior** with the Inventory Form B. *Please note: Photographs submitted with inventory forms must follow MHC's Guidelines for Inventory Form Photographs.*

A **CLG opinion** is required procedurally for CLG communities if no determination of eligibility has been made. For a list of CLG communities in Massachusetts, please see: http://grantsdev.cr.nps.gov/CLG_Review/Get_All_CLG.cfm.

Current photographs of the property, if Part 1 is submitted separately from Part 2 application.

Valid **DUA Certificate**. Please see: <http://www.sec.state.ma.us/mhc/mhcpdf/tax-credit-new-requirement.pdf>

PART 2: DESCRIPTION OF REHABILITATION APPLICATION CHECKLIST

Completed [Part 2: Description of Rehabilitation Application Form](#). Complete all fields.

*Please note: The owner must **sign and date** the application. Please submit the application with an original signature. If the owner of the property is a partnership or corporation, provide the names of the entity and the person who signs the form. If the property has multiple owners, the names, addresses, and Social Security or Taxpayer Identification Numbers must be listed on a separate continuation sheet.*

Pro Forma/Budget Summary (#4, #6) indicating the current and forecasted financial conditions for the proposed project. The pro forma must include the project's sources of funding and amounts, total project costs, and any funding gaps. The pro forma must detail both Total Project Costs (TPC) and Qualified Rehabilitation Expenditures (QRE), and must match the Part 2 cover sheet. Expenses should be itemized to delineate specific materials, labor, fees, etc. TPCs and QREs must both be listed for each itemized expense. For phased projects, QREs and TPCs must be itemized for each phase and for the project as a whole. Please explain any changes from subsequent applications. *Please note: For guidance on qualified rehabilitation expenditures, see the National Park Service Technical Preservation Services website: <http://www.nps.gov/tps/tax-incentives/before-apply/qualified-expenses.htm>.*

Letters of support (#5) from Preservation Massachusetts, and the local historical commission must accompany the submission. Additional support letters are also accepted.

Window conditions assessment (#10) documenting the percentage of loss or deterioration of windows, if replacement of windows is proposed. Detailed photographs must accompany this assessment.

Project timeline (#11) indicating site preparation start date or construction dates, dates on which financing (public or private) will be/has been secured, and an estimated completion date. Phased projects should include dates relating to each phase and the overall project.

Detailed **Description of Rehabilitation (#13)** itemizing the proposed rehabilitation by architectural feature. Describe the feature, its approximate date and condition, and whether the feature is original. Indicate dates of alteration as necessary. Describe any proposed work which will impact the feature. Cross-reference each feature with applicable photographs. Interior and exterior work will be reviewed for impacts to historic materials (including, for example, HVAC systems and fire suppression systems). *Phased projects must include detailed descriptions of work to be undertaken within each phase.*

Photographs (#13) documenting pre-rehabilitation conditions, keyed to existing conditions floor plans and, if applicable, a site plan. Photographs may be taken with a digital or 35 mm camera. Photos must be printed in color on high quality on 8.5" by 11" photo paper and need not be placed in plastic sheets. Photographs must be numbered, labeled, and cross-referenced with the description of rehabilitation. Interior and exterior photographs must be submitted.

One set of **architectural drawings (#13)** clearly illustrating *pre-rehabilitation conditions*. Drawings not to scale may be acceptable in some cases. Drawings should generally be submitted on 11" by 17" paper. *Do not submit full size plans unless MHC specifically makes this request.*

One set of **architectural drawings (#13)** clearly illustrating the *proposed project*. The number of drawings may vary depending on the given project and scope of work, but generally will include: elevation and plan drawings, section drawings illustrating roof top additions, floor insertions, or furring out of walls, and detail drawings of replacement doors and trim treatments. Sightline studies may be necessary for rooftop additions. Drawings should generally be submitted on 11" by 17" paper. *Do not submit full size plans unless MHC specifically makes this request.*

Window shop drawings (#13) if replacement of windows is proposed. *Section and elevation drawings illustrating head, jamb, sill, rail, stile, and muntins, annotated with dimensions, must be submitted. Comparative drawings are required if historic sash will be replaced.*

Specifications (#13) if masonry cleaning, repair, or repointing is proposed.

Completed [Executive Agent/Lobbyist Questionnaire](#) with original signature.

Valid **DUA Certificate**. Please see: <http://www.sec.state.ma.us/mhc/mhcpdf/tax-credit-new-requirement.pdf>

PART 3: REQUEST FOR CERTIFICATION OF COMPLETED WORK APPLICATION CHECKLIST

- Completed [Part 3: Request for Certification of Completed Work Application Form](#). Complete all fields.

*Please note: The owner must **sign and date** the application. Please submit the application with an original signature. If the owner of the property is a partnership or corporation, provide the names of the entity **and** the person who signs the form. If the property has multiple owners, the names, addresses, and Social Security or Taxpayer Identification Numbers may be listed on the same sheet.*

- Photographs** documenting post-rehabilitation conditions, keyed to floor plans and, if applicable, a site plan. Photographs may be taken with a digital or 35 mm camera. Photos must be printed in color on high quality on 8.5" by 11" photo paper and need not be placed in plastic sheets. Photographs must be numbered and labeled. Interior and exterior photographs must be submitted. Please provide photographs taken from the same locations as the pre-rehabilitation photographs submitted with the Part 2 application.

- Valid **DUA Certificate**. Please see: <http://www.sec.state.ma.us/mhc/mhcpdf/tax-credit-new-requirement.pdf>

AMENDMENT APPLICATION CHECKLIST

- Completed [Continuation/Amendment Form](#), which must include a written description of work.

*Please note: The owner must **sign and date** the application. Please submit the application with an original signature. If the owner of the property is a partnership or corporation, provide the names of the entity **and** the person who signs the form.*

- Photographs** as necessary to document the location and/or visibility of the proposed work.

One set of **architectural drawings or other attachments** as necessary to illustrate the proposed work. Drawings should generally be submitted on 11" by 17" paper. *Do not submit full size plans unless MHC specifically makes this request.*

- Valid **DUA Certificate**. Please see: <http://www.sec.state.ma.us/mhc/mhcpdf/tax-credit-new-requirement.pdf>

FAQs

When should I submit Part 1 and Part 2 applications?

The MHC accepts Part 1 applications on a rolling basis. To avoid delays in approvals, the MHC encourages submission of Part 1 applications well in advance of a Part 2 application, in particular if the property is not NR-listed and/or the NR eligibility of the property has not recently been determined. Part 1 certification must be assigned before the MHC will review a Part 2 application. There are three application cycles (rounds) per year. The deadlines for applications are January 15, April 30, and August 31. In order to be considered for an allocation, complete Part 1 and Part 2 applications must be received by **5:00 PM** on the day of the day of the deadline. Faxed and emailed applications are not accepted. If January 15, April 30, or August 31 fall on a Saturday, Sunday, or legal holiday, the due date will be the following business day.

Is a Part 1 application required if the property is on the National Register?

Yes. A completed Part 1 application is required for all projects, regardless of the building's status on the National Register or designation as a National Historic Landmark.

May I submit an application for a property that is not owned by the party seeking tax credits?

Receipt of the state historic tax credits is predicated upon ownership of the subject property. However, long-term leaseholders of a property may be eligible. The MHC recommends that applicants who are not property owners consult with a qualified tax attorney concerning their eligibility. If you are applying as a long-term leaseholder, please provide a photocopy of the lease agreement containing both the signatures of the owner of the property and the applicant as the leaseholder. If the applicant plans to purchase the property, please provide written information indicating the status of ownership, i.e. a purchase and sale agreement. The owner of the property must provide a written statement confirming they are aware the application is being filed and that they have no objections to the applicant pursuing certification.

When should amendments be submitted?

Amendments must be filed in response to project changes. Amendments may be submitted for approval at any time and are reviewed on a rolling basis. The MHC recommends that project proponents do not undertake any work without approval from the MHC. Completion of work that does not meet the Secretary of the Interior's Standards for Rehabilitation may result in denial of certification and recapture of assigned awards.

What documentation is required for phased projects?

Any rehabilitation that the Massachusetts Historical Commission reasonably expects to be completed in phases set forth in architectural plans and specifications completed before the rehabilitation begins, may qualify as a phased-in project. See M.G.L. c. 62, § 6J(a); c. 63, § 38R(a) and DOR Directive 08-9. Requests for phasing must be submitted in writing to the MHC for review. Required documentation includes:

- Summary description of all phases (should address all buildings in the project and all floors of these buildings)
- Phased pro forma
- Timeline indicating anticipated timeline of each phase and the overall project

Please note that for complexes, all buildings within the complex should be addressed, regardless of whether work will occur at each building. The MHC approves phasing requests in writing.

Why is a DUA Certificate required?

Please see: <http://www.sec.state.ma.us/mhc/mhcpdf/tax-credit-new-requirement.pdf>.

What is the preferred format for submissions?

The MHC does not have a required submission format, but receipt of large submissions in 3-ring binders is preferred. Smaller submissions may be submitted as packets with binder clips (please avoid industrial staples). Photos printed on 8.5" by 11" photo paper need not be placed in plastic sheets. Photo prints, however, should be placed in sleeves (not rubber banded). Please do not submit full size rolled plans unless specifically requested. Drawings printed on 11" by 17" sheets are generally adequate.

Please send State and Federal tax credit applications under separate cover. Please do not modify standard application forms. Please note that full supporting documentation (drawings, DUA Certificate, Executive Agent Questionnaire, etc.) must be submitted for each project/building unless a the buildings are a functionally related complex which will be treated as a single project.

In what format should photographs be submitted?

Photographs may be taken with a digital or 35 mm camera. Photos must be printed in color on high quality on 8.5" by 11" photo paper and need not be placed in plastic sheets. Individual photo prints, however, should be placed in sleeves (not rubber banded).

What documentation should be included in a window conditions assessment?

Window conditions assessments must be submitted if replacement of windows is proposed. The assessment must document the percentage of loss or deterioration of windows and must include detailed photographs of windows in different levels of deterioration — i.e., good, fair, poor. The assessment must provide an overall percentage of the windows in each deterioration category.

Please note:

- If windows are **recent replacements**, include photographs confirming the age/condition of all window types and a written conditions assessment documenting the percentage of loss or deterioration of windows *i.e.* "The building has 25 windows, all of which are vinyl replacements dating to the 1980s."
- If windows are **historic**, include photographs documenting the age/condition of all window types and a written conditions assessment documenting the percentage of loss or deterioration of windows. If full replacement is proposed, detailed photo-documentation confirming deterioration *beyond repair* is required.

What information is needed for #7: Compliance with Executive Orders, planning initiatives on the Part 2 application?

List any Executive Orders pertaining to such issues as housing, affirmative action or sprawl and growth planning with which the project complies. This information is used by the MHC to determine how the application meets the selective program criteria requirements. Examples include, but are by no means limited to, Executive Order 215 and Executive Order 526. For more information please see: <http://www.mass.gov/courts/case-legal-res/law-iib/laws-by-source/exec/>. Also list and describe any preservation initiatives and/or revitalization or development plans, including local, regional, or state plans, with which the project is consistent. This may include, but is not limited to, a municipal master plan, local preservation master plan, downtown renewal plan, or goals of local zoning/overlay districts. More information about planning initiatives may be found through the relevant regional and municipal office(s) and website(s) in which your property is located.

My project is finished. What next?

A Part 3 application is required to receive a Project Certificate (see above). If the ownership entity information has changed, an amendment form must be submitted with the Part 3 application. Please ensure any necessary Part 2 Amendments have been filed and have received approval before applying for Part 3 Certification. For phased projects, ensure that the application form indicates the phase for which you are seeking certification. If the certificate will be issued to multiple owners, a valid DUA Certificate must be submitted for each owner seeking final certification for the project.

Please note that if QRE amounts have decreased between Part 2 certification and submission of a Part 3 application, MHC is only able to award up to twenty percent of the reported Part 3 QREs. Please submit the Part 3 Application as early as possible in the requested year and indicate how the certificate should be delivered to the proponent.

For single-phase projects, additional tax credits cannot be awarded following Part 3 Certification. For multi-phase projects, additional tax credits cannot be awarded to the phases that have already been certified. Any transfer of credit following issuance of the certificates is handled by the Department of Revenue, not MHC.

Please inform the MHC of any delays in receiving certificates or any mistakes on a certificate. If an error has occurred, the original hard copy project certificate must be returned to the MHC in order for MHC to reissue a corrected certificate.

Where can I find information regarding transfer of HRC awards?

For information regarding transfer of HRC awards, please see: <http://www.mass.gov/dor/businesses/help-and-resources/legal-library/tirs/tirs-by-years/2015-releases/tir-15-6.html> and <http://www.mass.gov/dor/businesses/help-and-resources/legal-library/tirs/tirs-by-years/2016-releases/tir-16-15.html>