



**CERTIFIED HISTORIC
RESIDENTIAL STRUCTURE CREDIT**

Name	SSN
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1. Rehabilitation expenses made to a property located in South Carolina and placed in service during this tax year 1. _____
(If rehabilitation expenses are \$500,000 or greater, attach documentation that the preliminary and final fees were paid to the South Carolina Department of Archives and History.)
2. Credit amount earned (multiply line 1 by 25%) 2. _____
3. Annual installment amount (divide line 2 by 3 for property placed in service this year, or enter the previous year's installment amount) 3. _____
4. Amount carried forward from prior tax years 4. _____
5. Add line 3 and line 4 5. _____
6. Current year tax liability 6. _____
7. Current year credit (lesser of line 5 and line 6) 7. _____
Enter here and on the SC1040TC.
8. Unused credits (subtract line 7 from line 5) 8. _____
Unused credits can be carried forward for five years.

INSTRUCTIONS

This credit is available for rehabilitation expenses incurred renovating a certified historic residential structure. To be eligible, expenses must have been incurred after tax year 2002, and the property must be placed in service after June 30, 2002.

The credit is 25% of rehabilitation expenses, which must exceed \$15,000 within a 36-month period. The credit has to be taken in equal installments over a three-year period. Any unused amount from an installment can be carried forward for five years. You may not claim more than one credit on the same certified historic residential structure within 10 years.

Before any work begins, contact the State Historic Preservation Officer (SHPO) to review all repairs, alterations, rehabilitation, and new construction on the certified historic residential structure and the property on which it is located. Repairs or alterations must be consistent with the Secretary of the Interior's Standards for Rehabilitation.

When the work is complete, you must receive certification from the SHPO verifying that the project meets the Standards for Rehabilitation. Any additional work completed in the five years after the credit was taken must be consistent with the Standards for Rehabilitation. The SHPO has the right to inspect. If the SHPO finds that additional work doesn't meet the Standards for Rehabilitation, you must forfeit any unused credit, including any amounts carried forward. You may appeal SHPO decisions with the State Review Board.

Complete a separate TC-22 for each rehabilitated property. Learn more about this credit on the South Carolina Department of Archives and History's website, scdah.sc.gov.

Complete a TC-21 if claiming a credit for qualified rehabilitation expenditures for a certified historic structure that also qualifies for a federal credit under IRC Section 47.

Definitions

A **certified historic residential structure** is an owner-occupied residence that is:

- listed individually in the National Register of Historic Places
- considered by the SHPO to contribute to the historic significance of a National Register Historic District
- considered by the SHPO to meet the criteria for individual listing in the National Register of Historic Places, or
- an outbuilding of an otherwise eligible property considered by the SHPO to contribute to the historic significance of the property

An **owner-occupied residence** is a building or portion of a building in which you have an ownership interest. After being placed in service, the building is your residence and is not actively used in a trade or business, held for the production of income, or held for sales or disposition in the ordinary course of your trade or business.

A property is **placed in service** when the rehabilitation is completed and allows for the intended use.

Rehabilitation expenses are expenses that you incurred in the certified rehabilitation of a certified historic residential structure. They must be paid before the credit is claimed.

Rehabilitation expenses include expenses for:

- preservation and rehabilitation work done to the exterior of a certified historic residential structure
- repair and stabilization of historic structural systems
- restoration of historic plaster
- energy efficiency measures (excluding insulation in frame walls)
- repairs or rehabilitation of heating, air-conditioning, or ventilating systems
- repairs or rehabilitation of electrical or plumbing systems (excluding new electrical appliances and electrical or plumbing fixtures)
- architectural and engineering fees

Rehabilitation expenses do not include:

- the cost of acquiring or marketing the property
- the cost of new construction beyond the volume of the existing certified historic residential structure
- the value of an owner's personal labor
- the cost of personal property

Line Instructions

Line 1: Enter the amount of qualified expenses made to a certified historic residential structure located in South Carolina and placed in service **during this tax year**.

For projects with rehabilitation expenses of \$500,000 or greater, a taxpayer claiming a credit must pay a preliminary fee and final fee to the SCDAH. The fee schedule is located in SC Code Section 12-6-3535, available at dor.sc.gov/policy. When filing the TC-22, include a copy of the documentation from the SCDAH confirming that you have paid the fees.

Line 2: The credit amount is 25% of the rehabilitation expenses.

Line 3: The credit is claimed in equal installments over a three-year period beginning with the tax year that the property is placed in service. To calculate the installment amount in the year the property is placed in service, divide line 2 by 3. If the property was placed in service in a prior year, enter the amount from line 3 of last year's TC-22.

Line 4: You can carry annual installments that exceed your tax liability forward for up to five consecutive years.

Line 5: The total available credit is the amount of this year's annual installment plus any amount carried forward from prior years.

Line 6: The credit you claim cannot exceed your tax liability for the year.

Line 7: The allowable credit is the lesser of the available credit and this year's tax liability.

Line 8: The amount of unused credit. Unused installments of credit may be carried forward for five consecutive years.

How to file

Use this form for property placed in service after June 9, 2015. For property placed in service before that date, use the previous version of this form. If filing by paper, attach this form to your Income Tax return. If applicable, include a copy of the documentation from the SCDAH confirming the fees have been paid. If filing electronically, keep a copy with your tax records.

Social Security Privacy Act Disclosure

It is mandatory that you provide your Social Security Number on this tax form if you are an individual taxpayer. 42 U.S.C. 405(c)(2)(C)(i) permits a state to use an individual's Social Security Number as means of identification in administration of any tax. SC Regulation 117-201 mandates that any person required to make a return to the SCDOR must provide identifying numbers, as prescribed, for securing proper identification. Your Social Security Number is used for identification purposes.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the SCDOR is limited to the information necessary for the SCDOR to fulfill its statutory duties. In most instances, once this information is collected by the SCDOR, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.