

**NOTICE 22-12**

**HISTORIC PRESERVATION TAX CREDIT**

**(NOVEMBER 10, 2022)**

During the 2022 Legislative Session House Bill 2237 was passed and signed into law. Section 24 of the Bill amends the historic preservation tax credit found in K.S.A. 79-32,211. The amendments add two new credit provisions to the statute.

Under current law, which continues in effect, a historic preservation tax credit is permitted for 25% of qualified expenditures (30% for nonprofit organizations) for restoration and preservation of a qualified historic structure, if the total amount of expenditures equals \$5,000 or more.

Under the new provisions found in subsection (a)(2) and (3), for all tax years beginning 2022 and all tax years thereafter, if, pursuant to a qualified rehabilitation plan by a qualified taxpayer, the total amount of expenditures equals \$5,000 or more the credit will equal:

- 30% of qualified expenditures incurred in the restoration and preservation of a qualified historic structure located in a city with a population between 9,500 and 50,000; or
- 40% of qualified expenditures incurred in the restoration and preservation of a qualified historic structure located in a city with a population of less than 9,500.

New subsection (c) requires any bank, savings and loan association, or savings bank to pay taxes on 50% of the interest earned on loans to qualified taxpayers used for qualified expenditures for the restoration and preservation of a qualified historic structure, beginning in tax year 2022.

To claim the credit, the taxpayer should complete and submit a Kansas Schedule K-35 with their income tax return.

For information regarding the recently enacted Historic Kansas Act, that is also part of House Bill 2237, see Notice 22-10 Commercial Restoration and Preservation Credit which is available through the Department's website at: [www.ksrevenue.gov](http://www.ksrevenue.gov).

TAXPAYER ASSISTANCE

Additional copies of this notice, forms or publications are available from our web site, [www.ksrevenue.gov](http://www.ksrevenue.gov). If you have questions about this Notice, please contact:

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