

Form CT-1120 HHR
Historic Homes Rehabilitation Credit

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| FOR INCOME YEAR | |
| Beginning | 2004, and Ending |

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|------------------|-------------------------------------|
| Corporation Name | Connecticut Tax Registration Number |
|------------------|-------------------------------------|

Purpose

Complete **Form CT-1120 HHR**, *Historic Homes Rehabilitation Credit*, to claim the credit allowed under Conn. Gen. Stat. §10-320j. Attach it to **Form CT-1120K**, *Business Tax Credit Summary*.

Credit Computation

A tax credit is allowed against the Connecticut Corporation Business Tax in an amount equal to the lesser of 30% (.30) of projected **qualified rehabilitation expenditures** or 30% (.30) of the actual rehabilitation expenditures incurred in the rehabilitation of an **historic home**. Owners of historic homes must incur qualified rehabilitation expenditures that exceed \$25,000 in order to qualify. After the rehabilitation work is performed by the owner and verified by the Connecticut Commission on Culture and Tourism (the Commission), a tax credit voucher is provided to either the owner rehabilitating the historic home or to the taxpayer named by the owner as contributing to the rehabilitation. The credit is limited to \$30,000 per dwelling unit.

The allowable credit may be applied against the taxes administered under Chapters 207, 208, 209, 210, 211, or 212 of the Connecticut General Statutes. Any remaining credit balance that exceeds the credit applied may be carried forward for four income years. Attach the tax credit voucher issued by the Commission.

Required Attachment

The tax credit voucher issued by the Commission must be attached to this form.

Definitions

Owner means any taxpayer filing a State of Connecticut tax return who possesses title to an historic home or prospective title to an historic home in the form of a purchase agreement or option to purchase, or a nonprofit corporation that possesses such title or prospective title.

Historic home means a building that:

- Will contain one to four dwelling units of which at least one unit will be occupied as the principal residence of the owner for not less than five years following the completion of rehabilitation work;

- Is located in a **targeted area**; and
- Is listed individually on the National or State Register of Historic Places or located in a district listed on the National or State Register of Historic Places, and has been certified by the Commission as contributing to the historic character of the district.

Qualified rehabilitation expenditures means any costs incurred for the physical construction involved in the rehabilitation of an historic home, but excludes:

- The owner's personal labor;
- The cost of site improvements, unless to provide building access to persons with disabilities;
- The cost of a new addition, except as may be required to comply with any provision of the State Building Code or the State Fire Safety Code;
- Any cost associated with the rehabilitation of an outbuilding, unless such building contributes to the historical significance of the historic home; **and**
- Any nonconstruction costs such as architectural fees, legal fees, and financing fees.

Targeted area means:

- A federally designated *qualified census tract* in which 70% or more of the families have a median income of 80% or less of the state-wide median family income;
- A state designated and federally approved area of chronic economic distress; **or**
- An urban and regional center as identified in the Connecticut Conservation and Development Policies Plan.

Additional Information

For additional information, see **Informational Publication 2004(20)**, *Guide to Connecticut Business Tax Credits*, or contact the Department of Revenue Services, Taxpayer Services Division at 1-800-382-9463 (in-state) or 860-297-5962 (from anywhere).

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| PART I – Credit Computation | | |
| Enter the amount of tax credit as listed on the voucher issued by the Commission, for the 2004 income year. Enter here and on Form CT-1120K , Part I-D, Line 24, Column B. | | |

PART II - Computation of Carryforward

Credit may be carried forward for four income years.

| | | A Total Credit Earned | B Current Year Credit Applied to All Taxes 2000 through 2003 | C Carryforward to 2004 (Subtract Column B from Column A) | D Credit Applied to 2004 | E Carryforward to 2005 (See instructions below) |
|----|--|---------------------------------|--|--|------------------------------------|---|
| 1. | 2000 Historic Homes Rehabilitation Credit | | | | | |
| 2. | 2001 Historic Homes Rehabilitation Credit | | | | | |
| 3. | 2002 Historic Homes Rehabilitation Credit | | | | | |
| 4. | 2003 Historic Homes Rehabilitation Credit | | | | | |
| 5. | 2004 Historic Homes Rehabilitation Credit | | | | | |
| 6. | Total Historic Homes Rehabilitation Credit Applied to 2004. Add Lines 1 through 5, Column D. | | | | | |
| 7. | Total Historic Homes Rehabilitation Credit Carryforward to 2005. (Add Lines 2 through 5, Column E) Enter here and on Form CT-1120K , Part I-D, Line 24, Column E. | | | | | |

Computation of Carryforward Instructions**Lines 1 through 5, Columns A through D** – Complete as indicated.**Lines 2 through 4, Column E** – Subtract Lines 2 through 4, Column D, from Lines 2 through 4, Column C. Enter the result on the appropriate lines.**Line 5, Column E** – Subtract Line 5, Column D, from Line 5, Column A. Enter the result on Line 5, Column E.**Line 6 and Line 7** – Complete as indicated.