

# MICHIGAN'S STATE HISTORIC PRESERVATION TAX CREDIT

Strengthening economic development by  
supporting investment in historic properties



## A State Income Tax Credit worth 25% of eligible expenses on qualified buildings

The Michigan State Historic Preservation Office (SHPO) administers the state historic preservation tax credit program, which supports property owners and developers across the state in reinvesting in historic properties. Each year, \$5 million in tax credits are awarded to eligible owner occupied or commercial properties across Michigan.

## PROJECT ELIGIBILITY AT A GLANCE

- A property must be individually listed or contributing to a district that is listed in the National Register of Historic Places, the State Register of Historic Sites, or is locally designated.
- Qualified expenditures must exceed minimum thresholds -- 10% of the State Equalized Value for commercial, and \$1,246 for owner occupied properties (current as of 2026, adjusted annually).
- All project work must comply with the Secretary of the Interior's Standards for Rehabilitation (the "Standards").

## APPLICATION PROCESS

Applying for the State Historic Tax Credit is a sequential three-part process.

**Part 1** gives us some background on your property and allows SHPO to verify that it meets the basic eligibility requirements. Once your Part 1 is found to be eligible, you will be provided with a Part 2 application.

**Part 2** describes the existing conditions and work proposed as part of your rehabilitation project and demonstrates compliance with the Standards.

**Part 3** illustrates that the completed work matches what was proposed and meets the Standards. Credits may not be claimed until after the Part 3 is approved.

## WANT TO LEARN MORE?

Reach out to us at  
[preservation@michigan.gov](mailto:preservation@michigan.gov) or  
visit [www.michigan.gov/hpcredit](http://www.michigan.gov/hpcredit).



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## FREQUENTLY ASKED QUESTIONS

### How do I get started on my application?

The first step is completing a Part 1 application. Part 1 forms are available at the SHPO website at [www.michigan.gov/hpcredit](http://www.michigan.gov/hpcredit). Once you've completed the form and gathered necessary materials:

- Sign the application with a wet ink signature
- Enclose a check for the application fee
- Send one (1) hard copy and one (1) digital copy on USB of all materials to SHPO via courier

### How much are the application fees?

There are fixed fees for Part 1 applications, while fees for Part 2 and 3 applications are based on the credit value.

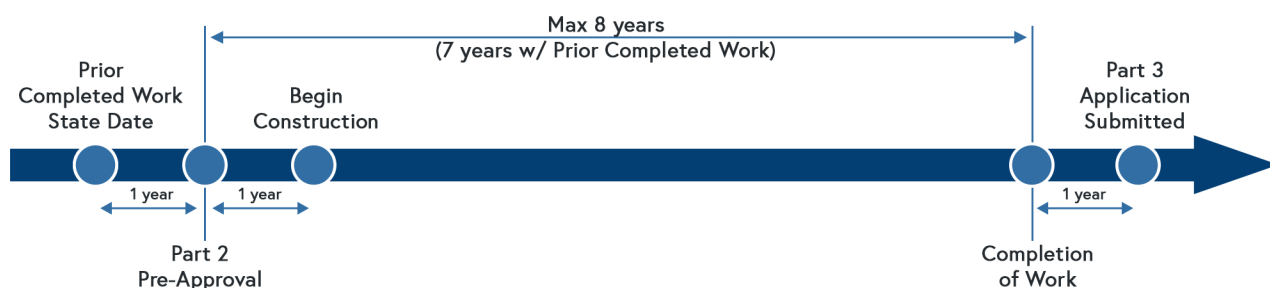
|        | Residential                    | Commercial    |
|--------|--------------------------------|---------------|
| Part 1 | \$50                           | \$100         |
| Part 2 | 2% of anticipated credit value |               |
|        | \$100 minimum                  | \$200 minimum |
| Part 3 | 2% of anticipated credit value |               |
|        | \$100 minimum                  | \$200 minimum |

### When will my application be reviewed and awarded?

Applications are reviewed in the order in which they are received. Review of each part may take up to 120 days. Credits are awarded on a first-come, first-served basis.

### How long do I have to complete my project and submit my final documentation (Part 3)?

Part 3 documentation must be filed within nine (9) years of the date of the pre-approval letter or within one (1) year of when the project is returned to service, whichever occurs first. The tax credit program ends on January 1, 2031. All Part 3 applications must be submitted at least 120 days prior to allow adequate time for review and certification.



### Can State and Federal Credits be combined?

Yes, State and Federal credits may be combined for eligible commercial properties. State and Federal applications may be submitted concurrently for review by SHPO.

### Can I claim work that's already completed?

Yes, applicants may include work completed up to one (1) year prior to the submittal of the Part 2 application. To be eligible, the work must meet program requirements and be documented.

### Can I apply for the same property multiple times?

Yes, credits may be applied more than once at the same property, but only one application may be open at a time.

### Can I apply for credits at multiple properties?

Yes, credits may be used by the same applicant at multiple properties.

### Can credits be assigned to another entity?

Yes, credits may be assigned to eligible parties.

### Are credits refundable?

No, credits are not refundable but they can be carried forward up to 10 years.

