

# Federal Tax Incentives for Rehabilitating Historic Buildings

Annual Report for Fiscal Year 2025



## Federal Tax Incentives for Rehabilitating Historic Buildings

# *A Successful Federal/State Partnership Since 1976*

The Federal Historic Preservation Tax Incentives Program, administered by the National Park Service in partnership with the State Historic Preservation Offices, is the nation's most effective program to promote historic preservation and community revitalization through historic rehabilitation. With over 51,000 completed projects since its enactment in 1976, the program has leveraged over \$146.5 billion in private investment in the rehabilitation of historic properties—spurring the rehabilitation of historic structures of every period, size, style, and type in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Commonly known as the Historic Tax Credit, the program provides a 20% Federal tax credit to property owners who undertake a substantial rehabilitation of a historic building in an income-producing use, while maintaining its historic character. In a three-part application process, the National Park Service certifies that a building is historic and, therefore, eligible for the program and that its rehabilitation meets preservation standards.

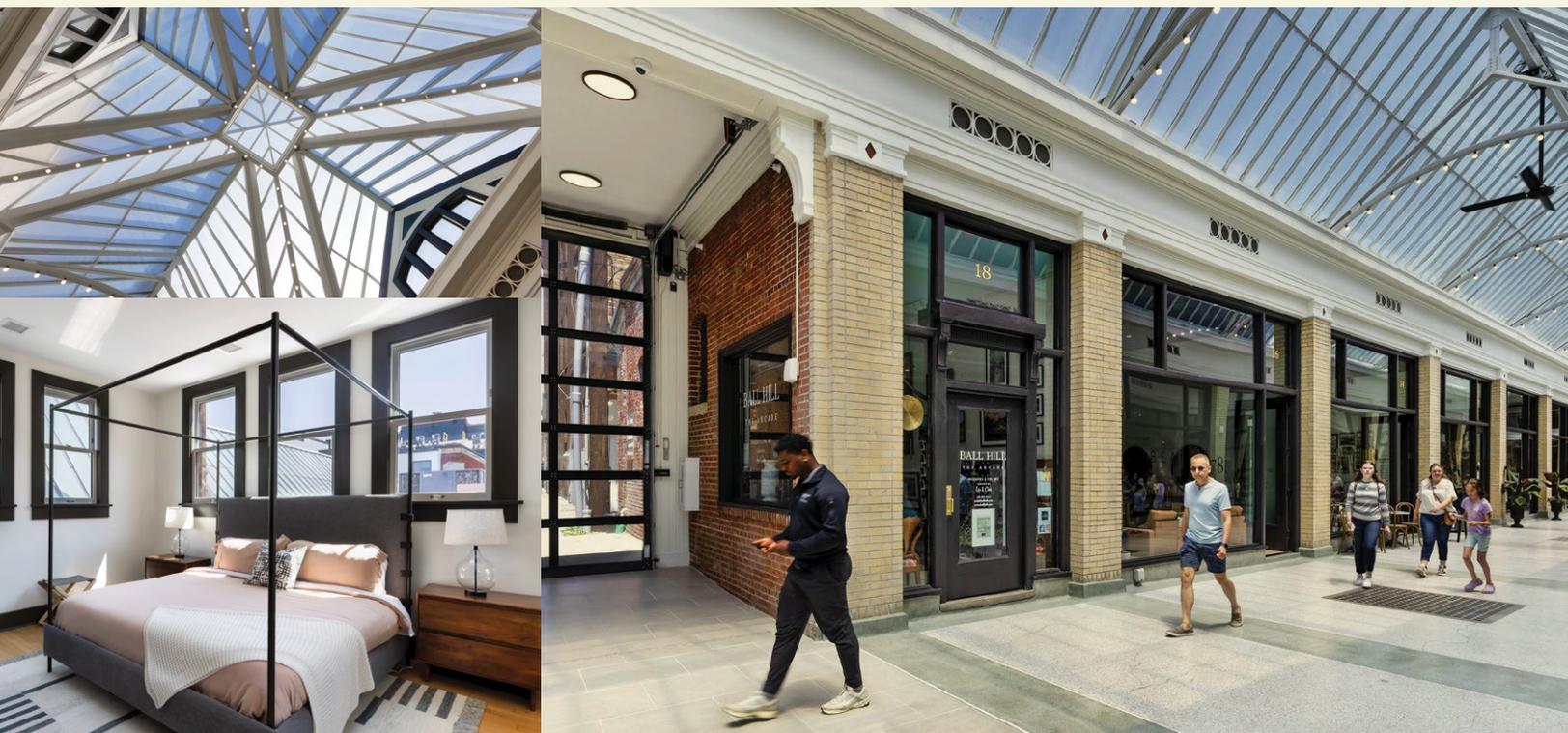
The Historic Tax Credit is the largest Federal program specifically supporting historic preservation. It generates much needed jobs and economic activity, enhances property values in older communities, creates affordable housing, and augments revenue for Federal, state, and local governments, leveraging many times its cost in private expenditures on historic preservation. This widely recognized program has been instrumental in preserving the historic buildings and places that give our cities, towns, Main Streets, and rural areas their special character and has attracted new private investment to communities small and large throughout the nation.

## Technical Preservation Services, National Park Service

March 2026

Newark Arcade, Newark, OH, steel-and-glass arcade roof (top left), new residential unit (bottom left), retail through-block arcade (right)

Photos: Elisabeth Van Meter / Schooley Caldwell



# Fiscal Year 2025 at a Glance

**1,387** Certifications of significance (Part 1)

Over **\$8.64 billion** in private investment in historic preservation and community revitalization.

**1,170** Preliminary certifications of rehabilitation (Part 2)

**Market-rate and affordable housing**—21,934 total rehabilitated/new housing units, 53% of which were low- and moderate-income units.

Estimated rehabilitation costs ..... \$13.10 billion  
 Median project QRE ..... \$1.66 million  
 Average project QRE ..... \$11.20 million

**Projects both big and small**—36% of all completed projects (Part 3) were under \$1 million QRE and 10% were under \$250,000 QRE.

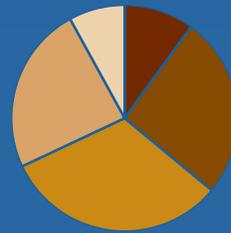
**New National Register nominations**—about 18% of projects involved properties not yet listed in the National Register of Historic Places.

**939** Certifications of completed work (Part 3)

**Thirty-nine states** have state historic tax credits that can be used in tandem with the Federal historic tax credit.

Estimated rehabilitation costs ..... \$8.64 billion  
 Median project QRE ..... \$2.00 million  
 Average project QRE ..... \$9.20 million  
 Rehabilitated housing units ..... 10,390  
 New housing units ..... 11,544  
 Low- and moderate-income rehabilitated/new housing units ..... 11,582

## FY 2025 Size of Projects



10%	<b>Under \$250,000</b>
26%	<b>\$250,000 to \$999,999</b>
32%	<b>\$1,000,000 to \$4,999,999</b>
24%	<b>\$5,000,000 to \$24,999,999</b>
8%	<b>Over \$25 million</b>

QRE = Qualified rehabilitation expenditures

# FY 1977 – FY 2025 Program Accomplishments



**\$146.50 billion**

Estimated Rehabilitation Investment

**329,548**

Rehabilitated Housing Units

**377,293**

New Housing Units

**216,892**

Low- and Moderate-Income Rehabilitated/New Housing Units



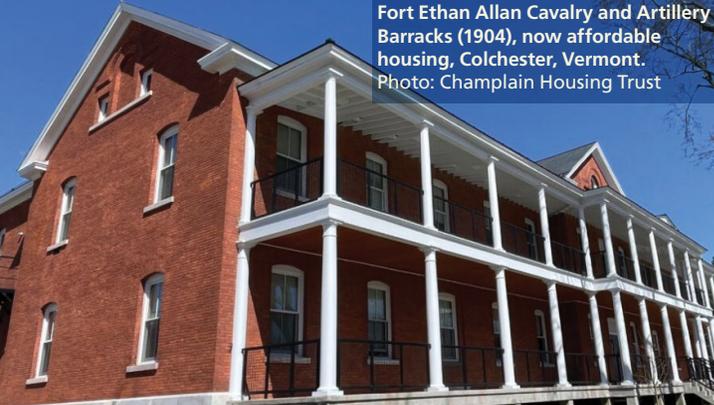
**51,055**

Historic Rehabilitation Projects Certified

Stone Mill (1848), now mixed-income housing, Lawrence, Massachusetts. Photo: Ed Wonsek



Fort Ethan Allan Cavalry and Artillery Barracks (1904), now affordable housing, Colchester, Vermont. Photo: Champlain Housing Trust



4459-61 Gibson Ave., (1909), now market-rate housing, St. Louis, Missouri.

Monroe Motor Car Company (1920), now mixed-use retail and apartments, Buffalo, New York.



Carnation Milk Plant (1927), now senior affordable housing, Tupelo, Mississippi. Photo: Century Construction



Foundry (1942), now recording studios, Brooklyn, New York.



Ayres-Wood Cottage (1890), now affordable housing, Little Rock, Arkansas.



Hocking/Aseu Building, (1914/1886), now affordable housing, Honolulu, Hawaii.



First Federal Savings and Loan Association Headquarters (1961), now hotel, Savannah, Georgia.



Dale's Sinclair Service Station (1955), now retail, Logan, Utah.

Post Office and Courthouse (1903), now commercial offices, Norfolk, Nebraska.  
Photo: Michael Sothan



Arcadia Theater (1928), continued use as theater, Temple, Texas. Photo: Turner Brothers



James F Battin Federal Building (1965), now City Hall offices, Billings, Montana.

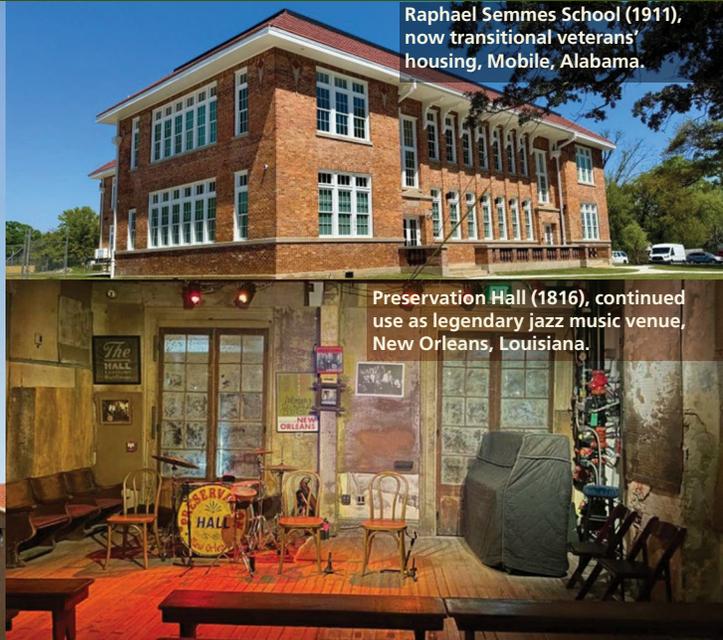
# FISCAL YEAR 2025 SELECT PROJECTS



Raphael Semmes School (1911), now transitional veterans' housing, Mobile, Alabama.



First Baptist Church (1929), now event venue, Phoenix, Arizona.



Preservation Hall (1816), continued use as legendary jazz music venue, New Orleans, Louisiana.



The Van Allen Building (1914), now affordable housing, Clinton, Iowa. Photos: Jennie Morton, Herringbone Freelance



The Breakers (1926), continued use as hotel, Long Beach, CA.  
Photo: Joe Schmelzer / @treasurbite

## COVER CASE STUDY

# Newark Arcade

NEWARK, OHIO



A predecessor of today's indoor shopping center, the Newark Arcade in Newark, Ohio, originally opened its doors on June 7, 1909, as one of the only glass-roofed, through-block shopping arcades in the state, providing a place to not only shop but to live, work, and socialize. Over one hundred years later, the building complex has been revived to once again be a gathering place and social hub for the city.

Shopping arcades grew out of a need for modern, cleaner, and more comfortable marketplaces. With multiple vendors enclosed from the elements under a glass roof to allow natural light, they could often be quite grand architecturally. When it opened, the Arcade had such modern conveniences as a central heating unit and basement cold storage and an electric freight elevator for tenant use.

The Newark Arcade was originally a collection of twenty-three stores, as well as a theater, and spanned the entire downtown block. The taller sections where the entrances were at each end of the building housed multiple floors of apartments and offices.

At the height of its popularity, the Arcade was a gathering center for the city, with dances held every day but Sundays, and orchestras playing from the balconies overlooking the arcade. However, over the years as businesses closed their doors, and the Arcade became largely empty, it fell into disrepair and was destined for almost certain demolition.

In 2019, Newark Development Partners purchased the Arcade and began making plans to bring it back to its former glory. The team faced frequent challenges as they began removing the non-historic, later changes and uncovering original features. Portions of the building had been cobbled together over the years without much thought given to structural integrity, and sections were falling down or caving in. During the rehabilitation the project team undertook near-restoration-level work, replacing the historic glass roof, matching decorative ceiling panels, restoring the historic storefronts, replacing windows, and, most notably, electing to reconstruct all the missing historic features on the 3rd Street façade.

Today, the Newark Arcade is once again a thriving downtown community center and attraction for this small city of 50,000 people, with twenty-four retail spaces and nineteen apartments. The \$21-million rehabilitation used both Federal and state historic tax credits and private funding, as well as \$12 million in pledges from the community. At its grand opening celebration in February 2025, the Arcade once again had musicians performing on the interior balconies, as they had in 1909.

Above: Newark Arcade along North 3rd Street, near Courthouse Square

Photo Credit: Elisabeth Van Meter / Schooley Caldwell

# FY 2025 STATE-BY-STATE PROJECT ACTIVITY

## Estimated Qualified Rehabilitation Expenditures (QRE) and Five-Year Cumulative Totals

State	Applications Received			Applications Approved			Estimated QRE at Part 2	Estimated QRE at Project Completion (Part 3)	Cumulative Totals FY 2021–FY 2025	
	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3			Part 3	QRE
Alabama	16	14	15	15	13	15	\$24,308,112	\$49,373,138	74	\$493,297,647
Alaska	0	0	0	0	0	0	0	0	0	0
Arizona	8	7	4	7	7	3	4,025,000	14,018,789	9	52,404,924
Arkansas	16	22	15	14	20	18	60,959,983	88,171,701	100	148,638,824
California	9	13	9	10	15	11	368,525,547	391,007,655	35	1,185,497,595
Colorado	14	5	4	13	7	7	184,716,886	71,603,215	34	226,247,571
Connecticut	27	10	17	28	11	20	111,015,018	125,793,371	74	627,360,630
Delaware	1	2	5	1	4	8	13,548,964	6,313,448	25	183,434,749
District of Columbia	9	7	4	9	7	4	53,765,905	155,279,915	12	450,326,661
Florida	15	9	6	13	7	5	268,640,631	72,722,726	31	351,563,089
Georgia	65	57	43	66	54	44	259,133,390	136,992,106	249	710,971,770
Hawaii	0	1	1	0	1	1	50,000,000	22,800,000	4	36,435,234
Idaho	0	0	0	0	0	0	0	0	3	17,876,623
Illinois	34	35	23	37	36	25	795,348,152	495,369,102	82	2,429,015,421
Indiana	26	16	5	28	17	5	183,839,433	104,968,820	51	666,230,345
Iowa	22	18	25	19	18	25	101,784,534	202,074,442	91	780,923,374
Kansas	36	34	16	35	36	17	153,188,299	57,448,490	81	310,438,277
Kentucky	83	68	39	84	71	42	285,953,357	79,340,311	144	298,723,270
Louisiana	116	89	91	111	90	94	216,716,029	226,895,159	419	1,397,559,059
Maine	8	12	5	9	12	5	130,880,119	73,254,381	42	368,484,941
Maryland	19	18	13	18	17	12	101,105,133	76,778,699	64	374,834,241
Massachusetts	58	44	31	52	37	27	799,806,405	396,005,290	207	2,096,602,896
Michigan	43	29	20	45	27	21	178,160,094	221,194,612	73	1,296,039,602
Minnesota	19	14	19	22	12	18	146,943,774	417,891,114	72	1,382,959,680
Mississippi	46	21	25	46	23	25	19,242,102	39,730,339	100	235,344,177
Missouri	51	38	58	57	49	54	323,463,859	193,189,633	313	1,408,030,251
Montana	4	4	3	4	4	3	10,296,976	38,633,433	10	58,553,044
Nebraska	7	7	5	6	9	6	50,648,399	36,101,908	24	194,059,099
Nevada	0	0	0	0	0	0	0	0	0	0
New Hampshire	1	0	1	1	2	2	4,808,299	46,555,839	9	91,981,433
New Jersey	14	14	12	12	11	12	123,545,258	90,247,935	27	506,524,659
New Mexico	0	0	0	0	0	0	0	0	3	6,916,634
New York	217	133	91	214	144	106	3,934,726,535	2,046,498,754	520	6,208,607,216
North Carolina	62	45	44	63	42	43	265,694,448	262,854,830	208	822,667,690
North Dakota	0	0	0	0	0	0	0	0	1	13,042,175
Ohio	81	90	65	82	95	61	854,796,553	549,091,198	295	2,104,098,965
Oklahoma	6	8	11	7	8	10	64,195,427	148,001,899	44	389,852,386
Oregon	5	7	5	5	7	5	161,522,798	25,360,561	22	181,944,198
Pennsylvania	41	31	18	37	33	17	1,120,659,134	233,366,186	252	2,239,708,712
Puerto Rico	0	1	1	0	0	0	0	0	3	2,097,925
Rhode Island	8	8	6	8	12	9	100,640,190	95,194,572	31	354,864,454
South Carolina	31	33	7	30	28	14	207,183,901	118,474,039	109	653,007,807
South Dakota	1	0	1	1	1	1	19,000,000	4,400,000	2	14,400,000
Tennessee	4	10	4	6	11	4	286,651,255	22,926,571	34	335,255,805
Texas	38	47	32	34	45	38	212,561,617	485,201,363	126	1,865,705,672
Utah	1	3	4	1	3	4	240,000	1,746,404	23	60,373,732
Vermont	3	8	3	2	8	4	11,689,875	40,698,044	35	120,283,185
Virgin Islands	0	1	0	0	1	0	500,000	0	0	0
Virginia	78	60	66	88	69	67	306,992,895	405,070,815	363	1,577,583,056
Washington	8	9	5	8	10	7	78,526,000	99,772,953	26	803,028,459
West Virginia	17	13	11	17	14	10	64,715,106	87,946,530	39	218,892,622
Wisconsin	23	25	8	22	22	8	387,850,285	75,693,510	86	957,316,941
Wyoming	1	1	4	0	0	2	0	4,743,147	2	4,743,147
<b>Total</b>	<b>1,392</b>	<b>1,141</b>	<b>900</b>	<b>1,387</b>	<b>1,170</b>	<b>939</b>	<b>\$13,102,515,677</b>	<b>\$8,636,796,948</b>	<b>4683</b>	<b>\$37,314,749,868</b>

Source: Technical Preservation Services, National Park Service

The **Federal Historic Preservation Tax Incentives Program** is administered by the National Park Service in partnership with the State Historic Preservation Offices.

The **State Historic Preservation Offices (SHPOs)** are the first point of contact for property owners wishing to use the historic rehabilitation tax credit. The SHPOs can help determine whether a historic building is eligible for Federal or state tax credits, provide guidance before beginning a project, and advise on the application requirements and what constitutes appropriate preservation work. For the phone number or website of your SHPO, contact the National Conference of State Historic Preservation Officers at (202) 624-5465 or [www.ncshpo.org](http://www.ncshpo.org).

The **Technical Preservation Services (TPS)** office administers the tax incentives program on behalf of the National Park Service. Information about the program and application requirements as well as technical guidance and publications on preserving and rehabilitating historic buildings is available from TPS at (202) 513-7270 or [www.nps.gov/tps](http://www.nps.gov/tps).



All photos from NPS files except where noted.

Front and Back Cover:  
The Newark Arcade,  
Newark, Ohio

Top: Retail corridor of Newark  
Arcade

Bottom: One of the many  
storefronts of Newark Arcade

Photos: Elisabeth Van Meter /  
Schooley Caldwell

