THE NATIONAL REGISTER OF HISTORIC PLACES: EFFECTS AND BENEFITS OF LISTING

The National Register of Historic Places is the nation’s official list of historic places worthy of preservation. Listing in the National Register (NR) recognizes historic properties that are significant to our communities, our state, and our nation. The NR is a federal program of the National Park Service, administered in Massachusetts by the Massachusetts Historical Commission (MHC). The NR recognizes unique and irreplaceable historic resources that give a sense of time and place to our downtowns, neighborhoods, village centers, and rural landscapes, and contribute to our communities’ character, making Massachusetts a special place.

NR listing is an important preservation planning tool that encourages preservation, but it does not guarantee that listed properties will be preserved. The NR is not a design review program, but it does provide limited protection from state and federal actions, as well as eligibility for certain matching state restoration grants (when available) and certain tax benefits for certified rehabilitation projects.

STATE REGISTER OF HISTORIC PLACES:
Properties listed in the NR are automatically listed in the State Register of Historic Places as well. The State Register is a compendium of properties with historic designations, listed by municipality, and serves as a reference guide, helping to determine whether a state funded, permitted, or licensed project will affect historic properties. The State Register review process helps ensure that listed properties will not inadvertently be harmed by activities supported by state agencies. The State Register is published annually and is available through the Statehouse Bookstore.

EFFECTS OF NR LISTING FOR PRIVATE PROPERTIES:
NR status in itself places no constraints on what owners may do with their property when using private funding, unless state or federal funds, permits, or licensing are used, or when some other regional or local bylaw, ordinance, or policy is in effect. NR listing does not impose additional restrictions to already existing local regulations or ordinances, nor does listing eliminate regulations currently in effect. Please be aware, however, that certain local ordinances, including demolition delay, may reference NR designation as a condition triggering review. NR-listed buildings may qualify for exemptions from some aspects of the State Building Code. Owners of private property listed in the NR have no obligation to open their properties to the public, to restore them, or even to maintain them. Owners can do anything they wish with their private property provided that no federal or state funding, licensing, permitting, or approval is involved. If owners use state or federal funds to alter their property or need state or federal permits, the proposed alteration will be reviewed by MHC staff. The review is triggered by the funding or permitting source, not by the historic designation. Local funding and permitting do not trigger MHC review. Owners may affix plaques to their listed properties, if they choose, but it is not required. MHC does not provide or review plaques. City or town sign ordinances should be consulted.
EFFECTS OF NR LISTING FOR PROPERTIES OWNED BY MUNICIPALITIES AND NONPROFIT ORGANIZATIONS:
All NR properties that are owned by municipalities and nonprofits are eligible to compete for grants from the Massachusetts Preservation Projects Fund (MPPF), a state-funded competitive matching grant program that supports the preservation and maintenance of properties and sites listed in the State Register. These may include buildings, parks, landscapes, cemeteries, sites, objects, and archaeological locations. Eligible projects may include: pre-development projects, such as pre-construction documents or feasibility studies; development projects, for construction activities including stabilization, protection, rehabilitation, and restoration; and acquisition projects, specifically allocated for endangered listed properties.

Municipalities may erect markers identifying National Register historic districts, but this is not required. MHC does not provide or review markers.

EFFECTS OF NR LISTING FOR INCOME-PRODUCING PROPERTIES:
Certain federal tax provisions may apply for NR-listed income-producing properties. The federal tax code contains a variety of incentives to encourage capital investment in historic buildings and to spur revitalization of historic properties. These incentives encourage the preservation and rehabilitation of historic commercial, industrial, and rental residential buildings listed in the NR. The federal tax incentive program has encouraged private investment and rehabilitation of historic properties since 1976 and has been particularly valuable to Massachusetts. This program allows owners of applicable NR buildings to qualify for a 20% Investment Tax Credit, in effect a 20% rebate, based on rehabilitation costs. These credits help pay for the unique costs associated with rehabilitation of historic properties.

The National Park Service certifies the rehabilitation, and the MHC Technical Services staff advises and assists owners during the application and review process. The rehabilitation must be deemed substantial and must meet the U.S. Secretary of the Interior’s Standards for Rehabilitation. Applications should be submitted to MHC before rehabilitation work begins in order to receive the most useful advice and best results.

Under the Massachusetts Historic Rehabilitation Tax Credit Program, a certified rehabilitation project on an income-producing property is eligible to receive up to 20% of the cost of certified rehabilitation expenditures in state tax credits. There is an annual cap, so there are selection criteria that ensure the funds are distributed to the projects that provide the most public benefit. The MHC certifies the projects and allocates available credits. Properties on the NR, or those eligible for listing, may be eligible to receive the credits. As with the federal program, rehabilitation under the Massachusetts tax credit program must meet the Secretary of the Interior’s Standards for Rehabilitation. The state rehabilitation tax credit may be used in tandem with the federal investment tax credit.

The Federal tax code also provides for federal income, estate, and gift tax deductions for charitable contributions of partial interest in historic property, principally easements. Whether these provisions are advantageous to a property owner is dependent upon the particular circumstances of the property and the owner. Individuals should consult their legal counsel or the appropriate Internal Revenue Service office for assistance in determining the tax consequences of these provisions.

FURTHER INFORMATION REGARDING ALL THE PROGRAMS MENTIONED ABOVE MAY BE OBTAINED THROUGH MHC’S WEB SITE (WWW.SEC.STATE.MA.US/MHC) OR BY CONTACTING MHC AT 617-727-8470.