



CT-46-ATT

New York State Department of Taxation and Finance

Credit for Rehabilitation Expenses for Retail Enterprises and Historic Barns

Enter tax period

beginning ending

Name Employer identification number

Attach to Form CT-46, Claim for Investment Tax Credit.

Schedule A - Rehabilitation expenditures for retail enterprises

New York State sales tax vendor registration number Percentage of business receipts from retail sales Percentage of rehabilitated area used in retail sales

Table with 7 columns: A Description of property rehabilitation expenditures, B Primary use of rehabilitated area, C Date of expenditure, D Life (years), E Rehabilitation expenditures, F % Rates, G Investment tax credit (E x F)

1 Add column G amounts (enter here and on Form CT-46, line 3) 1.

Schedule B - Rehabilitation expenditures for historic barns

Complete questions 2 through 11 to determine if you are eligible to claim this credit.

2 Has the barn been converted to residential use? Yes No If Yes, stop! You do not qualify for this credit.

3 Is the barn listed in the National Register? Yes No If Yes, the barn's rehabilitation must be certified by the federal Secretary of Interior or the New York State Office of Parks, Recreation and Historic Preservation. Attach a copy of the certification (see TSB-M-97(5)(C)).

4 If you answered No to question 3, is the barn located in a registered historic district? Yes No

5 If you answered Yes to question 4, is the barn of historic significance to the district? Yes No If Yes, the barn must be a certified historic structure and the barn's rehabilitation must be certified by the federal Secretary of Interior or the New York State Office of Parks, Recreation and Historic Preservation. Attach a copy of the certification. If No, attach documentation from the Office of Parks, Recreation and Historic Preservation stating the barn is of no historic significance to the district (see TSB-M-97(5)(C)).

6 If you answered No to questions 3 and 4, was the barn originally designed and used for storing farm equipment or agricultural products or for housing livestock, and was the barn first placed into service before 1936? Yes No If No, stop! You do not qualify for this credit.

7 Has the historic appearance of the barn been materially altered? Yes No If Yes, stop! You do not qualify for this credit. If No, attach, if you have it, a copy of the letter from the Office of Parks, Recreation and Historic Preservation stating that the historic appearance of the barn has not been materially altered (see TSB-M-97(5)(C)).

8 Describe the measurement period used to determine whether the barn has been substantially rehabilitated (see instructions)

9 What is the adjusted basis of the barn as of the first day of the measurement period? (see instructions) 9.

10 Do the expenditures incurred during the measurement period to rehabilitate the barn exceed the higher of the amount shown in question 9 or \$5,000? Yes No If No, stop! You do not qualify for this credit.

11 Did you use the straight-line method of depreciation over a recovery period specified in either section 168(c) or section 168(g) of the Internal Revenue Code, whichever is applicable to you? Yes No If No, stop! You do not qualify for this credit.

Date rehabilitation work began Date rehabilitation work was completed

Table with 5 columns: A Description of rehabilitation expenditures (attach additional sheets if necessary), B Date of expenditure(s), C Life (years), D Amount of expenditure(s), E Rehabilitation credit (column D x 25% (.25))

12 Add column E amounts (enter here and on Form CT-46, line 4) 12.

## Instructions

### Purpose of form

Use Form CT-46-ATT to claim a credit for the rehabilitation expenditures of retail enterprises (Schedule A) or historic barns (Schedule B). If you qualify for either credit, complete the applicable schedule and **attach this form to Form CT-46**.

The provisions for recapture applicable to investment tax credit property (section 210.12(g)) also apply to these credits. Refer to the instructions for computing recapture amounts in Schedule D on Form CT-46.

### Credit for rehabilitation expenditures for retail enterprises

Section 210.12(k) allows a credit for qualified rehabilitation expenditures, as defined in section 47(c)(2) of the Internal Revenue Code (IRC). In addition to qualifying for the federal credit, the taxpayer must be a retail enterprise.

A *retail enterprise* is a taxpayer registered as a vendor under Article 28 of the New York State Tax Law, and is primarily (at least 50%) engaged in retail sales as defined by section 1101(b)(4)(i).

The rehabilitated property must be located in New York State. The credit is limited to the portion of the expenditures attributable to the property employed in retail sales.

### Credit for rehabilitation expenditures for historic barns

Section 210.12(l) allows a credit for qualified rehabilitation expenditures, as defined in section 47(c)(2) of the IRC, paid or incurred for any barn located in New York State that is a qualified rehabilitated building, as defined in section 47(c)(1) of the IRC.

A barn must be a building originally designed and used for storing farm equipment or agricultural products, or for housing livestock. No rehabilitation credit is allowed for a barn converted to a residence or a barn whose historic appearance has been altered.

A barn must either have been placed in service prior to 1936, or, if placed in service after that time, a barn must be a certified historic structure listed in the National Register of Historic Places, or located in a registered historic district certified by the Secretary of the Interior.

Expenditures for the enlargement of a barn do not qualify for the credit. However, a barn will not be disqualified from the credit because an enlargement has been made. In such cases, the total expenditures paid or incurred for rehabilitation must be apportioned to exclude those expenditures attributable to the enlargement.

For detailed information concerning qualified rehabilitated expenditures, qualified rehabilitated buildings, alteration of the historic appearance of a barn, certified historic structures, registered historic districts, and enlargement of a barn, refer to TSB-M-97(5)(C).

### Computation of tax credit(s)

Complete Schedule A or B (or both) as appropriate, and enter the total credits computed on Form CT-46, lines 3 and 4.

### Schedule A — Rehabilitation expenditures for retail enterprises

Provide the information required in columns A, B, C, and D. Attach a separate page if you need more space. Enter in column E the portion of the qualified rehabilitation expenditures paid or incurred for that part of the building employed in retail sales activity.

### Schedule B — Rehabilitation expenditures for historic barns

Provide the information required in columns A, B, and C. Attach a separate page if you need more space.

**Column D** — Enter in column D the amount of qualified rehabilitation expenditures paid or incurred for a qualified rehabilitated barn.

If the expenditures include an enlargement of a barn and can be separately accounted for, exclude the expenditures attributable to the enlargement. Otherwise, on a separate page, show the total expenditures (including the enlargement) and the apportionment method to exclude the expenditures for the enlargement (as prescribed in TSB-M-97(5)(C)) that was used to arrive at the amount of rehabilitation expenditures entered in this column.

If a barn is listed in the National Register or a barn is located in a registered historic district and is of historic significance to the district, the barn is a certified historic structure. A certified historic structure must have a rehabilitation certified by the federal Secretary of Interior or the New York State Office of Parks, Recreation and Historic Preservation. If the barn for which a credit is claimed is a certified historic structure, attach the appropriate certification. For additional information in this area, see TSB-M-97(5)(C).

To qualify for the credit, a barn must have been substantially rehabilitated. To determine whether a barn has been substantially rehabilitated, the expenditures incurred to rehabilitate the barn during a measurement period selected by the taxpayer must exceed the greater of the adjusted basis of the barn or \$5,000. The measurement period is a 24-month period selected by the taxpayer and ending with or within the tax year. If the rehabilitation could reasonably be expected to be completed in phases set forth in architectural plans and specifications completed before the rehabilitation begins, the measurement period may be 60 months long. You may be required to submit documentation of the architectural plans and specifications at a later date. The adjusted basis is generally determined as of the beginning of the first day of the measurement period.

Attach documentation that the historic appearance of the barn has not been materially altered and, where appropriate, documentation that the barn is of no historic significance to a registered historic district. One acceptable form of documentation is a letter from the Office of Parks, Recreation and Historic Preservation.

Documentation that a federal rehabilitation credit of 10% or 20% has been allowed for a barn is another alternative acceptable form of documentation.