



FREDERICK COUNTY GOVERNMENT

DIVISION OF PLANNING & PERMITTING

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Historic Preservation Tax Credit Frequently Asked Questions

How much is the tax credit worth?

The credit is 25 percent of the qualified expenses spent on a rehabilitation project. If the total amount of the tax credit exceeds the tax bill for that year, the balance of the credit may be carried into subsequent years, up to five years total. The tax credit in one year may not exceed \$7,500.

Can the historic preservation tax credit be combined with other property tax credits?

The tax credit can be combined if the other tax credit allows for stacking credits. If you have questions, please contact the County Treasury Department at 301-600-1111. In many cases, Federal or State Historic Preservation Tax credits may be combined with local preservation tax credits. The [Maryland Historical Trust](#) administers these tax credit programs and can provide more information.

What expenses qualify for the historic preservation tax credit?

Qualified expenses are the amount of money paid by the property owner to a licensed contractor, architect, engineer, or historic preservation consultant for eligible work. If a property owner elects to complete the work themselves, then the materials used to complete the work would qualify. The time of the property owner to complete the work is not an eligible expense.

What work qualifies for the historic preservation tax credit?

Any exterior work to an eligible property or landscape feature that results in the repair or replacement of a historic feature or material; work that is necessary to maintain the physical integrity of the property regarding safety, durability, or weatherproofing; maintenance of the exterior, including routine maintenance; and repair or replacement of historic landmark features if determined to be of historic or architectural significance.

What is the process for applying for and getting this tax credit?

The property owner must complete a historic preservation tax credit application. City of Frederick property owners may use the City's historic preservation [tax credit application](#). All other property owners will complete the County's application. All required attachments must be included with the submitted application. The County's application is available on the Historic Preservation [website](#).

Applications must be submitted by April 1 before the taxable year for the tax credit to be applied for that year's tax bill. Applications must be received no later than two tax years after qualified expenses were incurred.

How do I document my expenses? What proof of payment do I need to submit?

Describe the work completed or materials paid for on the Receipt Transmittal Form included in the application. Include on the form the receipt number, contractor or supplier name, and the amount. Proof of payment may include:

- An invoice from the company that lists the labor or services performed, materials purchased and is marked as paid or shows payment has been received.
- Canceled check with the corresponding invoice.
- Credit card statement with corresponding invoice.

What is the deadline to apply for the tax credit?

An application must be filed on or before April 1 preceding the taxable year. Qualified expenses must have been incurred on or after July 1, 2023 and within two tax years prior to the date of the application.

How do I know if my property has been designated to the County Register of Historic Places or has been locally designated by another County municipality?

Currently there are only three jurisdictions in the County who have established historic preservation commissions (HPCs): City of Frederick, Town of New Market, and Frederick County.

Frederick County Register of Historic Places are listed on this [website](#).

City of Frederick Historic District layer can be found [here](#) or pdf overlay maps [here](#).

New Market's historic district boundaries and property listing can be viewed [here](#).

I already completed rehabilitation work on my property that should meet criteria for this tax credit. Can I apply for the tax credit now?

It depends. Some work requires prior approval by the historic preservation commission (HPC) while other work considered routine maintenance does not. If you completed work that required HPC approval, you will not be eligible for the tax credit. Additionally, qualified expenses must have been incurred on or after July 1, 2023 and within two tax years prior to the date of the application.

Where can I find the Historic Tax Credit legislation passed by the County Council?

Bill 24-11 is on the Frederick County Council's [website](#).