PBMares
CPAs and Consultants

Virginia Historic Rehabiliation Tax Credit

Reduce Your Virginia Tax Liability with Strategic Credit Opportunities

Virginia taxpayers looking to reduce state income tax liability have a powerful opportunity through the **Virginia Historic Rehabilitation Tax Credit program**.

PBMares helps connect you to available credits from historic rehabilitation projects—allowing you to purchase credits at a discount and apply them directly against your Virginia tax liability.

Program Overview

The Virginia Historic Rehabilitation Tax Credit program:

- **Provides a 25% credit** on qualified rehabilitation expenditures
- **Encourages reinvestment** in historic properties
- Allows project owners to **sell unused credits to generate capital**

This creates an opportunity for investors to participate and benefit without direct project involvement.

A Typical Scenario

A taxpayer invests in a qualifying historic rehabilitation project—often through an LLC—and receives allocated tax credits in return.
Example:

- $9,200 investment → $10,000 in tax credits
- Credits offset your Virginia income tax dollar-for-dollar.
- Additional benefit varies based on your overall tax situation and deductions.

Who Benefits

Virginia Historic Rehabilitation Tax Credits are available to:

- Individuals
- Corporations and business entities
- Estates and trusts

This strategy is especially valuable for taxpayers expecting large Virginia tax liabilities, as there is no annual usage cap on these credits

Why Consider Historic Tax Credits

- Eliminate or reduce Virginia tax liability.
- No limit on credit utilization in a given year

How It Works

- **Purchase Credits at a Discount** – Investors acquire credits generated by historic rehabilitation projects.
- **Offset Tax Liability Dollar-for-Dollar** – Credits directly reduce your Virginia income tax obligation.
- **Carry Forward Unused Credits** – Excess credits can be applied to future tax years (up to 10 years).

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What to Consider

- Credits are nonrefundable, but highly valuable for offsetting liability.
- Unused credits can be carried forward up to 10 years.
- Best suited for taxpayers expecting significant tax exposure.
- Requires proper structuring and documentation

How We Support You

PBMares provides guidance across the full lifecycle of historic tax credit opportunities:

- **Identify Opportunities** – Connect you with available credit transactions
- **Evaluate Fit** – Help determine if credits align with your tax strategy
- **Structuring Support** – Assist with investment and allocation considerations
- **Certification Services** – Perform historic tax credit and related certifications
- **Ongoing Advisory** – Support compliance and maximize long-term benefit

Contact Us

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PBMares does not need to prepare your tax return to assist with credit opportunities.
Contact us today to discuss your situation.

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