

Maryland Historical Trust
Historic Revitalization Tax Credit
Part 3 Itemized Expense Sheet
Homeowner – Mixed-Use Spreadsheet
Instructions & Example

Revised 6/1/2019

The Part 3 application must be accompanied by the Itemized Expense Sheet and documentation accounting for all project expenses. Please use the Itemized Expense Sheet provided by MHT, as it is part of the application and has been formatted to include all necessary information and to auto-calculate totals. Instructions on filling out the Itemized Expense Sheet are below. Note – a project that includes both owner-occupied (homeowner) and income-producing (small commercial) components must use the spreadsheet for mixed-use properties.

Column 1: Date of payment

The spreadsheet must be filled out chronologically according to the date of payment, starting from your first payment. You should use the date of the cancelled check or credit card payment as your “Date of Payment” – not the date of the invoice.

Column 2: Your page #(s) of invoice / receipt / check

For each item on the spreadsheet you must include BOTH (1) a copy of the invoice or receipt, showing which goods or services were purchased, and (2) certifiable proof of payment. In many cases a credit card receipt (such as an itemized receipt from Home Depot) will suffice for both purposes. Please submit copies of the proof of payment with sensitive information and account numbers redacted or blacked out for security purposes.

Certifiable proof of payment must consist of one of the following:

1. A dated credit card receipt
2. A cancelled check
3. A bank statement showing the (i) check number, (ii) date, (iii) payee name, and (iv) amount paid
4. A signed statement from the contractor or vendor stating the amount paid and date of payment. An invoice simply marked ‘PAID’ or with a \$0 balance is not sufficient documentation. *A signed statement will only be accepted as certifiable proof of payment for payments made in cash.

MHT recommends that you provide one invoice, receipt, or certifiable proof of payment per sheet of paper. The upper corner of each sheet must be numbered in chronological order, organized with the invoice followed by the certifiable proof of payment for each item on the spreadsheet. If you are using a bank statement that includes payment for multiple invoices on the same statement, the page number of the correlating invoice must be written next to the payment. The page number that you have assigned to the invoice / receipt / proof of payment must be entered in Column 2 on the spreadsheet.

Column 3: Payee for item (name of contractor, company, etc.)

The name of the contractor, vendor, or company to whom you made the payment must be written in this column.

Column 4: Part 2 Work Item #

In this column you will indicate the Work Item number from the Part 2 application that corresponds to the expenditure. If the work was approved in a later Amendment, you can simply write 'Amend' in this column. If one expenditure applies to multiple Work Items, please list all Work Item numbers using one of two methods.

(1) If several Work Items apply, you may either list all Work Item numbers in one line:

Date of Payment	Your page #(s) of invoice / receipt / check	Payee for Item (name of contractor, company, etc.)	Part 2 Work Item #	Description of Expenditure	Expenditure Amount	Eligible Expense	Ineligible Expense
1/5/2019	1	Home Depot	2, 5, 6	Door hinges, electrical cable, new bathroom sink	\$97.67	\$97.67	

(2) Or you may use one line for each Work Item number:

Date of Payment	Your page #(s) of invoice / receipt / check	Payee for Item (name of contractor, company, etc.)	Part 2 Work Item #	Description of Expenditure	Expenditure Amount	Eligible Expense	Ineligible Expense
1/5/2019	1	Home Depot	2	Door hinges	\$32.37	\$32.37	
			5	Electrical cable	\$19.98	\$19.98	
			6	New bathroom sink	\$45.32	\$45.32	

Column 5: Description of Expenditure

This column will include a brief description of the expenditure. It is not necessary to reiterate the full description of the Work Item. Rather, it is important to be clear about what work or what item was paid for.

Column 6: Total Expenditure Amount

In this column you will note the amount of the total expenditure (or portion of expenditure, depending on how you fill out Column 4, as shown above. If the expenditure includes a portion of ineligible work, you must still include the total expenditure and separate out eligible vs. ineligible costs in Columns 7, 8, and 9.

Column 7: Eligible Expense (Costs within homeowner residential area)

In this column you will list the total amount from Column 6 that is an eligible expense (within the owner-occupied residential areas only). The program FAQs and Application Instructions give general guidance about eligible expenditures. If you have specific questions, please contact MHT tax credit staff for clarification.

Column 8: Ineligible Expense (Costs within income producing area)

In this column you will list the total amount from Column 6 that is an ineligible expense (within the income-producing areas only). The program FAQs and Application instructions give general guidance about ineligible expenditures. If you have specific questions, please contact MHT tax credit staff for clarification.

Column 9: Costs shared between homeowner residential and income producing areas

In this column you will list expenses which must be pro-rated (see next heading for additional instructions). These expenses are for areas and systems that are shared by the owner-occupied residential and income-producing areas. This means that eligible costs are calculated based upon percentage of the square footage of the building that is exclusively owner-occupied residential. Such expenses may include, but are not limited to: (1) Rehabilitation of interior areas that are shared between the owner-occupied residential and income-producing uses, and (2) Expenses for shared mechanical systems and infrastructure such as HVAC, plumbing, electrical, etc.

In each row of the table, the total eligible, ineligible, and shared costs must total the expenditure amount in Column 6. The program FAQs and Application instructions provide general guidance about eligible and ineligible expenditures. If you have specific questions, please contact MHT's tax credit staff.

To determine eligible amount of shared costs:

The first grey-shaded area on the spreadsheet will guide you through a simple calculation for the eligible amount of shared costs.

1. Enter the square footage of owner-occupied residential use within the building in the first white box.
2. Enter the total square footage of the building in the second white box.
3. The eligible percentage of costs will auto-calculate using the formula in the third white box.
4. The total dollar amount of shared costs will fill in automatically in the fourth white box, using the total in Column 9.
5. The eligible dollar amount of shared costs will auto-calculate using the formula in the fifth white box.

The costs in the three rows below will auto-fill and auto-calculate to give you a subtotal of eligible costs.

To subtract ineligible funding sources:

If you have ineligible funding sources, you will note those on the appropriate line within the second grey-shaded area. The spreadsheet formula will auto-calculate the total.

Additional Instructions:

The spreadsheet is set up to include formulas that will automatically calculate totals when you enter amounts into Columns 6-8. If you need more lines on the spreadsheet, you should click to select a row number on the left-hand side of the spreadsheet, then right-click on the selected row and select "Insert". This should not affect the formulas that have been entered – *but it is always important to double check all totals are correct before you submit.*

If you have ineligible funding sources, you will note those on the appropriate line within the grey box on the spreadsheet. The spreadsheet should automatically calculate – *but it is always important to double check all totals are correct before you submit.*

Insurance Reimbursement Funds – any expenses that are covered by an insurance reimbursement and are not out-of-pocket costs to the property owner are considered ineligible. If you are reimbursed for any expenses through an insurance claim, you must note this on the spreadsheet.

Local Government Funding – any expenses that are covered by a local grant, loan, etc. program is considered ineligible. If you are receiving a local grant or loan, you must note this on the spreadsheet.

State Government Funding – any expenses that are covered by a State grant, loan, or tax credit are considered ineligible. If you are receiving additional funding by the State, you must note this on the spreadsheet.

**Additional funding from the Federal Government does not need to be backed out of the eligible expenses.*

The totals calculated in the Itemized Expense Spreadsheet must be used to fill out Section 2 of the Part 3 application form.

Please double-check all expense information to ensure the correct totals were inserted and the calculations are correct prior to submitting the Part 3 application!

Property Address:

**Part 3 Itemized Expense Sheet
for
Mixed-Use Properties**

FOR MHT USE ONLY
Project Number: _____

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6	COLUMN 7	COLUMN 8	COLUMN 9
Date of Payment	Your page # (s) of invoice / receipt / check	Payee for Item (name of contractor, company, etc.)	Part 2 Work Item #	Description of expenditure	Total Expenditure Amount	Costs within homeowner residential area (eligible)	Costs within income producing area (ineligible)	Costs shared between homeowner residential and income producing areas (eligible as prorated below)
SUBTOTALS (will auto-calculate):					\$0.00	\$0.00	\$0.00	\$0.00

To determine eligible amount of shared costs:

Step 1) Exclusively owner-residence sq. footage ÷ Total sq. footage of structure = Eligible percentage of shared costs

Owner-residence sq. footage (enter value):

Total sq. footage (enter value):

Eligible percentage of costs (will auto-calculate):

Step 2) Eligible percentage of shared costs x Total of shared costs = **Eligible amount of shared costs**

Total of shared costs (will auto-calculate):

Eligible amount of shared costs (will auto-calculate):

Total costs within homeowner residential area (will auto-calculate):					\$0.00			
Eligible amount of shared costs (will auto-calculate):					#DIV/0!			
SUBTOTAL of eligible costs:						#DIV/0!		

SUBTRACT Non-Personal (ineligible) Funding Sources:

Insurance Reimbursement Funds (enter value):

Local Government Funding (list type, i.e. grants, loans) (enter value):

State Government Funding (list type, i.e. grants, loans, credits) (enter value):

SUBTOTAL of ineligible funding sources to subtract:

Part 3 Total Qualified Rehabilitation Expenditures as submitted:						#DIV/0!		
---	--	--	--	--	--	---------	--	--