



Preservation Makes Cents

Our Request:

Support improvements and additions to tax incentives for historic preservation that create jobs, leverage private investment, provide economic development to communities AND save our American heritage.

The bond between economic development, job creation and historic preservation is unbreakable. The current Federal Historic Tax Credit Program created over 70,000 jobs and leveraged over \$4.7 BILLION in private investment in 2009, bringing to life abandoned and underutilized historic buildings often located in some of the nation's most disinvested communities. In these cases, there is a great need for incentives to create market-rate, affordable, and homeownership housing opportunities that stabilize urban and rural neighborhoods. Additionally, nonresidential historic structures that no longer serve their intended purposes, such as warehouses, factories, mills, schools, and department stores can be adapted into energy-efficient and sustainable places to live and work.

Improvements

Amend the existing Federal Historic Rehabilitation Tax Credit program (Internal Revenue Code Section 47) for commercial buildings to expand historic preservation's community revitalization and job-creating power, encourage greater reinvestment in America's Main Street neighborhoods, and foster economic development.

- Deepen the tax credit for smaller, Main Street projects under \$5 million to attract private re-investment in towns and rural communities.
- Specify that the incentive for older, non-designated buildings worthy of preservation applies to buildings 50-years old or older.
- Make it easier for non-profit, community-based organizations to use the tax credit.
- Allow for transferability of the credit for smaller projects that will promote investment in lower-income communities.
- Provide greater incentive for State and Federal tax credit programs to work together by exempting state historic tax credits from federal income tax.
- Promote energy efficiency in historic rehabilitation projects by increasing the credit for measurable energy savings achieved.

Additions

Add a tax credit for owner-occupied historic homes (In Internal Revenue Code Section 25) that is similar to the current tax credit for commercial buildings. This will help revitalize communities, increase their tax base, promote reinvestment, and create jobs.

- Institute a credit of up to 20% up to \$60,000 for rehabilitation costs that meet the Secretary of Interior's historic rehabilitation requirements.
- Increase the credit for buildings in "high cost" or economically distressed areas.
- Allow for credits to be transferred or assigned creating additional revenue for the homeowner that could be used for other rehabilitation costs.