

# NCSHPO

## National Conference of State Historic Preservation Officers

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April 15, 2013

The Honorable Sam Johnson  
1211 Longworth House Office Building  
United States House of Representatives  
Washington, DC 20515

The Honorable Bill Pascrell  
2370 Russell House Office Building  
United States House of Representatives  
Washington, DC 20515

Dear Representatives Johnson and Pascrell:

The NCSHPO thanks the Ways and Means Committee, and particularly the Real Estate Working Group, for the opportunity to comment on the positive economic and social benefits that the Federal Historic Rehabilitation Tax Credit, also known as the Historic Tax Credit (HTC), provides to communities throughout the nation. State Historic Preservation Officers administer the HTC program in partnership with the National Park Service and the Internal Revenue Service.

With the challenging budget environment and pending consideration of comprehensive tax reform, we want to emphasize the importance of the HTC to the revitalization of rural and urban communities across the country. Based on research conducted for the National Park Service by the Rutgers Center for Urban Policy Research, since the 1981 the HTC has leveraged \$106 billion in private investment in historic rehabilitation, created nearly 2.4 million jobs and rehabilitated 38,700 historic buildings. Over 75% of these projects are located in low-income census tracts where banks will typically loan a lesser percentage of total project cost. But for HTC equity financing, these properties will often sit idle, sometimes for decades, exerting a blighting influence on the surrounding neighborhood.

The HTC is an efficient use of taxpayer dollars. Over the credit's 32 years, the federal government has allocated just over \$20 billion in tax credits, but collected more than \$25 billion in federal taxes resulting from rehabilitation projects—more than paying for the program. Programs that generate this kind of economic impact while offsetting their own cost are worthy of keeping in the tax code.

The historic tax credit is an important redevelopment tool that is helping revitalize cities, towns and rural communities across the country. As Congress charts our nation's economic path forward, we ask that you protect and enhance this federal incentive that uses our nation's past to meet the needs of today's economy.

Sincerely,



Erik Hein  
Executive Director