

Kasson Alliance Email News, Vol. 3, No. 3, Minnesota Historic Preservation Tax Credit Action Alert

Kasson Alliance Supporters:

The Minnesota Legislature is currently considering a Historic Preservation Tax Credit bill that could play an important part in the eventual funding package for [rehabilitating the historic 1918 Kasson School](#). Notifying the legislature that you support this could help save the school.

PLEASE ACT NOW to encourage the Minnesota Legislators to pass the bill. It allows credit on state income taxes equal to 20% of the qualified cost of a historic rehabilitation. In other words, any qualified private development money that is invested in the school will net the investor a savings on their state income tax. This is in addition to the 20% historic rehabilitation tax credit already provided by the Federal government for Federal income taxes.

The Tax Conference Committee is considering the bill now. The Minnesota Legislature is planning to adjourn on Monday, May 18, so the next two weeks are critical. Please contact members of the Tax Conference Committee listed below and your district's legislators and urge them to include the Historic Preservation Tax Credit proposal in the final Omnibus Tax Bill.

An easy way to contact your legislators is by going to the Minnesota Historical Society's "History Matters" website where you can get contact information for legislators or send an email directly. Click on the following link to go to the "History Matters" page [Contact your legislator](#) (<http://capwiz.com/mnhs/state/main/?state=MN>). An in-person visit or phone call (see the phone numbers listed below) makes the most impact, but you can also send an e-mail by clicking on the "Take Action Now" button on the web page. If you call or write a letter, note the "what to say" paragraph below. **Call, Email or Write before May 18.....this bill could be an important piece of the funding for the adaptive reuse of the school.**

Additional Information

Minnesota Historic Preservation Tax Credit Action Alert

April 30, 2009

PLEASE ACT NOW to pass the Historic Preservation Tax Credit—Tax Conference Committee meets today!

Minnesota has an opportunity to become the 31st state in the nation to provide incentives for preservation of historic structures through the use of a state historic preservation tax credit. We have great news to report – the Minnesota Historic Preservation Tax Credit proposal has been included in the Senate Omnibus Tax Bill and will be under discussion in the joint House-Senate Tax Conference Committee TODAY! The Historic Preservation Tax Credit is in the Senate proposal, but not the House proposal. We need your help to make 2009 the year that Minnesota joins 30 other states in offering an income tax-based incentive for preserving our state’s important historic structures.

Contact your legislators and urge them to include the Historic Preservation Tax Credit in the Omnibus Tax Bill!

The Minnesota Legislature is planning to adjourn on Monday, May 18, so the next two weeks are critical. **Please contact members of the Tax Conference Committee and your legislators and urge them to include the Historic Preservation Tax Credit proposal in the final Omnibus Tax Bill.** If you are a constituent of any of the conference committee members (see below), your contact with these legislators is especially needed.

Tax Conference Committee members are:

Senate

Senator Tom Bakk (DFL-Cook), Room 226 Capitol, (651) 296-8881

Senator Rod Skoe (DFL-Clearbrook), Room 303 Capitol, (651) 296-4196

Senator Mee Moua (DFL-St. Paul), Room 120 Capitol, (651) 296-5285

Senator Scott Dibble (DFL-Minneapolis), Room 111 Capitol, (651) 296-4191

Senator Debbie Johnson (R-Ham Lake), Room 135 State Office Building, (651) 296-3219

House

Rep. Ann Lenczewski (DFL-Bloomington), Room 509 State Office Bldg, (651) 296-4218

Rep. Paul Marquart (DFL-Dilworth), Room 597 State Office Bldg, (651) 296-6829 or 1-800-551-5520

Rep. Lyle Koenen (DFL-Clara City), Room 439 State Office Bldg, (651) 296-4346 or 1-800-341-5897

Rep. Diane Loeffler (DFL-Minneapolis), Room 349 State Office Bldg, (651) 296-4219

Rep. Marty Seifert (R-Marshall), Room 267 State Office Bldg, (651) 296-5374 or 1-888-234-1242

(TIP!) At this time of year, conference committee members get overloaded with email, and tend to delete or ignore emails from non-constituents, so a personally written letter or phone call tends to have more of an impact.

What do I say or put in a letter to my legislator?

We suggest the following:

“Hello, Senator / Representative_____. My name is Jane Doe and I am a constituent of yours from Your Town, Minnesota. I am here/ calling/ writing /e-mailing today to urge your support for the Minnesota Historic Preservation Tax Credit. The provision, originally Senate File 1724 and House File 1974, was included in the Senate Omnibus Tax Bill that is being discussed in the Tax Conference Committee. Thank you for any support that you provided to make that happen. I ask that you continue to support this important legislation by ensuring that it is included in the final Omnibus Tax Bill. The Historic Preservation Tax Credit would provide a vital incentive to catalyze the rehabilitation of <insert example of a local project here>, an important historic place in our community. The Tax Credit creates jobs, leverages additional investment, and provides for the sustainable reuse of existing resources. Thank you for supporting this invaluable tool for the revitalization of our community.”

Letters can be addressed to:

Representative / Senator _____

Room _____ Capitol (OR) Room_____ State Office Building

St. Paul, MN 55155

Thank you for all of your calls, letters, and e-mails to legislators encouraging their support of the Historic Preservation Tax Credit. Your voice makes a difference! Let's work together to make 2009 the year Minnesota passes the state historic preservation tax credit!

Background Information

The Minnesota State Historic Preservation Tax Credit was reintroduced in the Minnesota Senate and House of Representatives in 2009. Introduction of H. F. 1974 by Representative Paul Marquart (DFL-Dilworth) and S.F. 1724 by Senator Larry Pogemiller (DFL-Minneapolis) offers an incentive to stimulate job growth, increase local tax base, and revitalize urban and main street communities. To read the specific bill language, check the status of the bill, or see if your legislator is a cosponsor, please click on the following link to access [S.F. 1724](#) and [H.F.1974](#).

How Does It Work?

- Allows credit on state income taxes equal to 20% of the qualified cost of a historic rehabilitation. (The legislation was changed from its original 25% to a 20% credit in the Senate Omnibus Tax Bill.)
- Parallels federal historic preservation 20% tax credit, creating more development opportunities in Minnesota and leveraging millions of dollars in federal monies not currently flowing into our state.
- Useful for both commercial and residential property, developers and homeowners. Federal credit is for income-producing properties only.

Why is the tax credit so important?

- **State historic tax credits create more jobs per dollar output than either manufacturing or new construction.** Historic rehab projects in our state would create 5.7 more jobs per \$1 million in output than manufacturing and 2 more jobs per \$1 million than new construction. A total of 6,871 jobs and \$60 million in tax revenue were created in the first four years of Missouri's tax credit and the cost of the tax credit to the state was recouped in payroll taxes alone.
- **The state historic preservation tax credit will more than pay its own way.** A 2009 report by the Abell Foundation found that Maryland's state historic tax credit has returned \$8.53 in revenue for each dollar of the state's tax credit investment and has generated \$1.74 billion in total economic activity. Between one-third and one-half of that revenue was returned to the state in payroll and sales taxes prior to the state's release of funds.

- **This credit would keep preservation development dollars in Minnesota.** Thirty other states—including Wisconsin, Iowa, North Dakota, Missouri, and Kansas—have already enacted similar programs and are now reaping the economic and community benefits, which go far beyond the immediate cost to the state. Minnesota is the only state in the Upper Midwest with an income tax that does not have a state historic preservation tax credit, effectively sending preservation development dollars to our neighbors.
- **State tax credits leverage other federal funds.** The state credit, which in many cases can be paired with the 20 percent federal rehab or low-income housing tax credits, encourages private investment in underutilized historic properties in both urban and rural Minnesota, generating jobs and stimulating local and state economic development.

KARE is a non-profit membership organization bringing people together to protect, enhance and enjoy the places in Kasson that matter to them. By saving the places where great moments from the cities' history – and the important moments of everyday life – took place, **KARE** helps revitalize the community, spark economic development and promote environmental sustainability. The **Kasson Alliance** provides leadership, education, advocacy and resources to citizens and organizations committed to saving historic places, connecting them to Kasson's history and collectively shaping the future of the communities' stories.

Mission: KARE is a 501(c) (3) nonprofit organization formed in January 2007. KARE's mission is to preserve historic buildings, structures and properties to serve as landmarks of Kasson's' heritage, along with being a source of education in the importance of historic preservation.

Kasson Alliance for Restoration

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Note: The media is welcome to use all or portions of this announcement.

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