

**SOCIETY OF
ARCHITECTURAL
HISTORIANS**

13 November 2017

The Honorable Orrin Hatch, Chairman
Committee on Finance
United States Senate
104 Hart Office Building
Washington, DC 20510

The Honorable Ron Wyden, Ranking Member
Committee on Finance
221 Dirksen Senate Office Building
United States Senate
Washington, D.C., 20510

Re: Federal Historic Preservation Tax Incentive Program

Dear Chairman Hatch and Ranking Member Wyden:

The Society of Architectural Historians (SAH) strongly supports the retention of the Federal Historic Rehabilitation Tax Credit (FHTC), and encourages any efforts to retain this important program in its current form, without reduction of the value of the credit.

The FHTC provides essential incentives for the preservation and adaptive reuse of our nation's historic buildings, which in turn protects the vitality of our communities, neighborhoods, and cities. On behalf of preservationists, property owners, and municipal governments across America, we find the proposal to repeal this essential credit deeply disappointing.

The HFHTC has been a beacon for neighborhood preservation within the tax code for over 30 years, and has become the most significant federal investment in preservation and community revitalization across our nation. Few federal tax incentives have generated the type of economic growth the FHTC has spurred in countless small and midsize cities throughout the United States. The FHTC was created in 1978 and made permanent by the Tax Reform Act of 1986, enacted under President Reagan. Since its creation, the FHTC has generated \$29.8 billion in federal tax revenue with a return of \$1.18 on every \$1.00 in federal tax expenditures, according to data collected by the Rutgers Center for Urban Policy Research. In these economically challenging times, we believe that this program is not just good public policy. It is a proven job creator and engine of economic expansion, something which benefits all Americans. In fact, the FHTC led directly to the creation of 109,000 jobs in 2016 alone.

We note that the Tax Reform Act of 1986 declined to repeal or modify the credit, following a House Ways and Means Committee determination that revocation of the credit would leave property owners and developers with no incentive to rehabilitate our urban areas, leading to further urban deterioration. Then, as now, the FHTC is largely responsible for the health, vitality, and diversity of our communities. The rehabilitation projects that it supports also serve to protect the types of buildings and neighborhoods that attract tourism, commerce, film, and other secondary activities. Revenue resulting from these activities stays within the community, to the benefit of all who live there.

We strongly believe that a successful reform of our nation's tax code must retain the FHTC and respectfully request that, as this tax proposal is developed in committee, Congress identify ways to improve rather than eliminate this much-needed program.

Sincerely,



Bryan Clark Green, Ph.D., LEED AP BD+C
Chair, Heritage Conservation Committee
Society of Architectural Historians

cc: Ms. Pauline Saliga; Ms. Deborah Slaton; Mr. Kenneth Breisch, Ph.D.; Mr. David Fixler, FAIA; Mr. Jeffrey Cody, Ph.D.; Mr. Ken Oshima, Ph.D., Mr. Anthony Cohn, Members, SAH Heritage Conservation Committee