

Written Testimony
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SB 339
Senate Taxation Committee
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The amendments proposed in Senate Bill 339, Sec. 31, pertaining to the state historic tax credit are intended to make the state historic tax credit applicable only to taxpayer's corporate income tax liability. The Manhattan/Riley County Preservation Alliance opposes SB 339 because state tax credits have proven to be a valuable tool for rehabilitating structures that are listed on a historic register or that are contributing structures in a historic district and because limiting historic tax credits to corporate filers would have a significant impact on the historic tax credit program because many tax credit users have been individual filers.

For many years, Manhattan has worked to redevelop the downtown area utilizing STAR bonds. The revitalization of Manhattan's existing historic structures in the downtown area is an important piece of the overall project, and historic rehabilitation tax credits are a necessary complement to our community's redevelopment efforts. The Union Pacific Depot and several buildings in the Downtown Manhattan Historic District have been renovated with the aid of historic rehabilitation tax credits. Many thousands of dollars of historic rehabilitation tax credits have been invested in Manhattan. Maintaining the historic rehabilitation tax credit program for both individual filers and for corporations could potentially stimulate additional renovations of historic buildings in Manhattan's core downtown, which would help to protect the STAR bond investment by ensuring that our downtown continues to be vibrant.