



Testimony in Support

LD 146 An Act to Increase the Maximum Amount of Historic Property Rehabilitation Tax Credit that May be Taken in a Year

February 5, 2025, 1:00 p.m.

Taxation Committee

Chairwoman Grohoski, Chairwoman Cloutier, and Honorable Members of the Taxation Committee.

I am writing to express strong support for LD 146, which proposes important updates to Maine's historic tax credit program with no impact on the State of Maine budget. This change is essential for preserving Maine's architectural heritage and promoting economic growth in our communities. The proposed adjustments are critical for ensuring that historic rehabilitation projects remain financially viable and continue to contribute to the revitalization of Maine's neighborhoods.

The proposed increase in the maximum tax credit for historic rehabilitation projects from \$5 million to \$10 million in the first two years of a project would provide crucial financial flexibility for large-scale restorations with no fiscal impact to the budget. This change would help make these types of projects more feasible by reducing construction costs and improving financial performance as unnecessary project phasing currently required for larger tax credit projects could be eliminated. This bill would allow projects to maintain their financial viability while contributing back to the Maine economy sooner, whether that be through operational income, new housing units, or new jobs, all of which benefit the communities they are in and ensure their long-term success. Historic preservation is not only an investment in our cultural heritage but also a catalyst for economic growth. Supporting these projects creates jobs, strengthens local economies, and revitalizes neighborhoods. This legislation will help Maine remain competitive in attracting developers who are committed to preserving historic properties while fostering vibrant, sustainable communities.

In conclusion, LD 146, presents a significant opportunity to strengthen Maine's historic preservation efforts, promote economic development, and enhance the quality of life in our state, with no fiscal note anticipated therefore no impact to the State of Maine budget. I strongly urge you to support this important bill and help ensure that Maine's historic buildings continue to be preserved for future generations.

Thank you for your attention to this matter and for your continued dedication to preserving Maine's unique character and heritage.

Sincerely,

A handwritten signature in black ink, appearing to read "Clayton R. Adams", with a horizontal line extending to the right.

Clayton R. Adams
President & CEO