

THE HISTORIC TAX CREDIT COALITION

The Creating American Prosperity through Preservation (CAPP) Act

For thirty years, the federal Historic Tax Credit has helped preserve historic structures of every period, size, style and type by adapting yesterday's warehouses, schools, churches, hotels, etc. to meet today's need for housing, commercial space, offices, and community resources.

The **CAPP Act** updates the 20% historic tax credit and the 10% credit for non-historic older buildings for the 21st century. The CAPP Act makes the Historic Tax Credit easier to use and more accessible to strategic projects that create quality jobs, revitalize "Main Street," generate high-impact community benefits and promote energy-efficiency.

The Creating American Prosperity through Preservation Act:

- **Strengthens the economic development impact** of the already powerful federal Historic Tax Credit (HTC). Since its inception in 1981, the HTC has spurred the rehabilitation of over 37,000 vacant or underutilized historic buildings, created over 2 million jobs and leveraged \$90 billion in private investment. The CAPP's provisions position the credit to be an even greater job creation and economic development engine.
- **Drives development and job creation to rural and smaller "Main Street" communities** as smaller-scale building rehabilitation projects are typically overlooked due to their high costs relative to the size of the tax credit. CAPP provisions will ensure that rural and smaller communities will benefit to a much larger extent from this powerful economic development tool.
- **Promotes energy-efficiency and cost-savings** by encouraging historic developers' use of energy-efficient technology—on top of the already "green" act of recycling an existing building in an existing community. The CAPP's proposed changes will effectively reduce fossil fuel consumption and lower each building's heating and cooling costs.
- **Enhances the impact of Historic Tax Credit in low-income and difficult-to-develop-areas** because nonprofit organizations typically undertake the most difficult projects in communities in greatest need. The CAPP's provisions would facilitate the reuse of older buildings by nonprofits for projects of high community benefit while creating jobs and stimulating the local economy in low-income, underserved areas.
- **Creates new opportunities for development by expanding the number of older buildings eligible to use the 10% credit.** The CAPP Act will bring the 10% credit to a large number of structures that are currently ineligible, greatly expanding the credit's usefulness and the potential for comprehensive economic development that does not exclude post-World War II buildings.