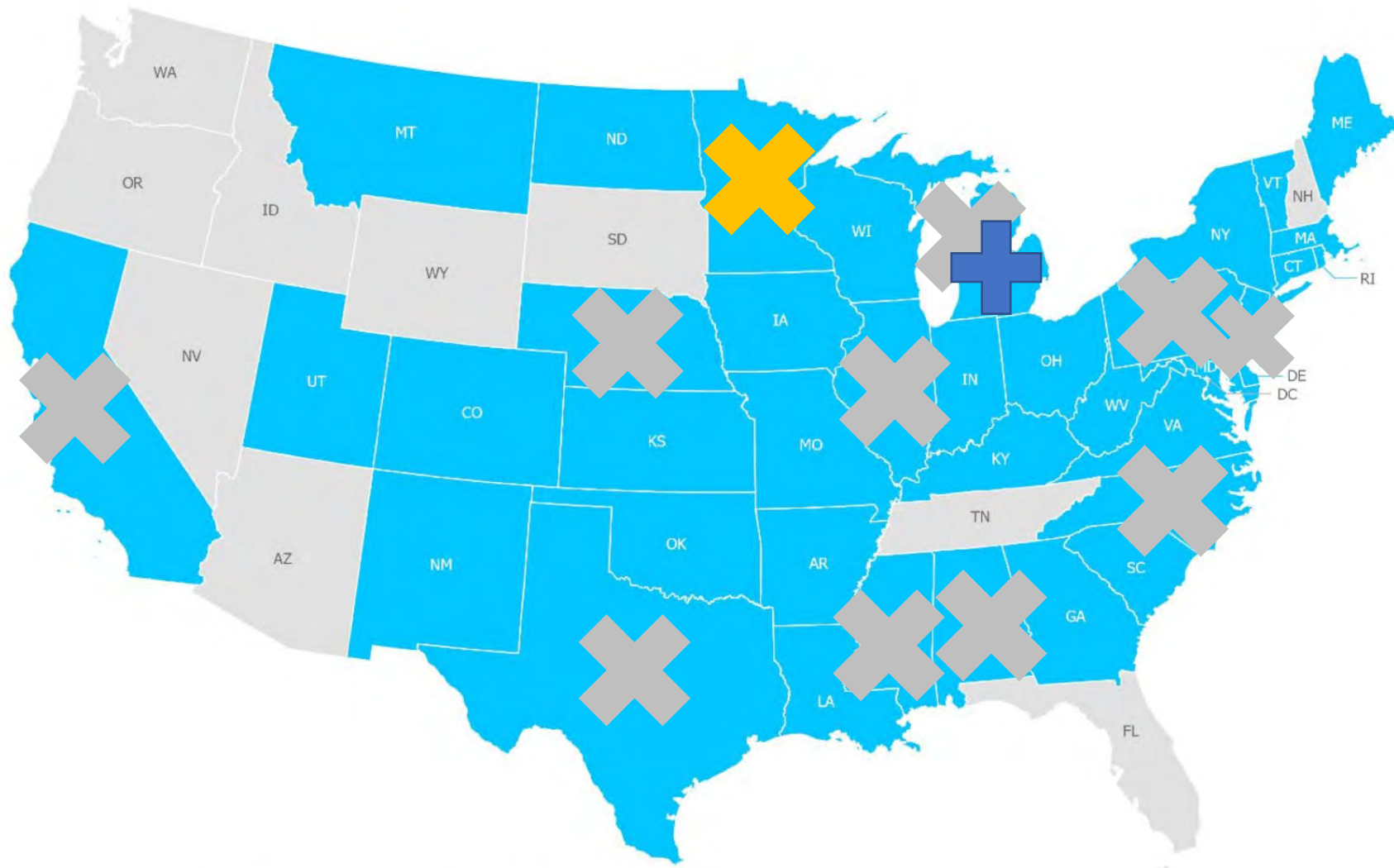


# It Takes a Coalition

Advocating for an Extension to the  
MN Historic Structure Rehabilitation  
Tax Credit



### State Historic Tax Credits

- Offers state historic tax credit
- No state historic tax credit

# Minnesota's Historic Tax Credit

- Enacted 2010
- Passed during the Great Recession
- Preservation Alliance of Minnesota worked with the Minnesota Historical Society/State Historic Preservation Office & Building Jobs Coalition
- Culmination of an 11-year advocacy effort by PAM
- Initial sunset date – 2015
  
- Sunset date extended in 2013

MN HTC sunset date

June 30, 2021

83 days from now!

# A Historic Coalition



NEW HISTORY

**RETHOS**<sup>™</sup>  
PLACES REIMAGINED



WINTHROP & WEINSTINE

Ambassador



Influencer



Partner



Skyline



BRIDGEWATER BANK



NEW HISTORY



Season



Corporate



Hess Roise  
Historical Consultants



Patron



JB VANG



[Committees Home](#)

## Taxes Committee

2021 - 2022 Biennium Ninety-second Legislature

**Regular Meeting Schedule:** Room G-15 Capitol  
Tuesday and Thursday 8:30 a.m. - 10:00 a.m.

### Committee Leadership



**Chair**

**[Carla J. Nelson, 26, R](#)**

3235 Minnesota Senate Bldg.  
St. Paul, MN 55155  
651-296-4848

[sen.carla.nelson@senate.mn](mailto:sen.carla.nelson@senate.mn)



**Vice Chair**

**[Jeremy R. Miller, 28, R](#)**

3107 Minnesota Senate Bldg.  
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[sen.jeremy.miller@senate.mn](mailto:sen.jeremy.miller@senate.mn)



**Ranking Minority Member**

**[Ann H. Rest, 45, DFL](#)**

2217 Minnesota Senate Bldg.  
St. Paul, MN 55155  
651-296-2889

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### Committee Members



**[Thomas M. Bakk, 03, I](#)**

328 Capitol  
St. Paul, MN 55155-1606  
651-296-8881

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**[Roger C. Chamberlain, 38, R](#)**

3225 Minnesota Senate Bldg.  
St. Paul, MN 55155  
651-296-1253

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**[Julia E. Coleman, 47, R](#)**

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651-296-7809

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**[Matt D. Klein, 52, DFL](#)**

2409 Minnesota Senate Bldg.  
St. Paul, MN 55155  
651-296-4370

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**[Bill Weber, 22, R](#)**

2109 Minnesota Senate Bldg.  
St. Paul, MN 55155  
651-296-5650

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## Taxes

**Meets:** Tuesday, Wednesday and Thursday, 1:00 p.m. in Room 10

### Committee Members



**Committee Chair**

**Rep. Paul Marquart (DFL) District: 04B**

597 Rev. Dr. Martin Luther King Jr. Blvd.  
St Paul, MN 55155  
651-296-6829

Email: [rep.paul.marquart@house.mn](mailto:rep.paul.marquart@house.mn)



**Vice Chair**

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Email: [rep.dave.lislegard@house.mn](mailto:rep.dave.lislegard@house.mn)



**Republican Lead**

**Rep. Greg Davids (R) District: 28B**

283 Rev. Dr. Martin Luther King Jr. Blvd.  
St Paul, MN 55155  
651-296-9278

Email: [rep.greg.davids@house.mn](mailto:rep.greg.davids@house.mn)



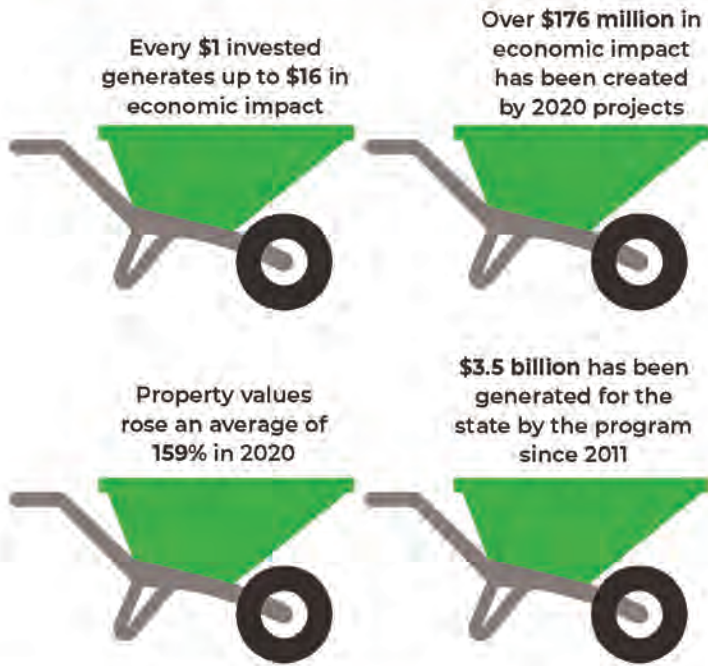
**Rep. Esther Agbaje (DFL) District: 59B**

437 Rev. Dr. Martin Luther King Jr. Blvd.  
St Paul, MN 55155  
651-296-8659

Email: [rep.esther.agbaje@house.mn](mailto:rep.esther.agbaje@house.mn)

Minnesota's Historic Structure Rehabilitation Tax Credit provides a 20% tax credit for qualified rehabilitation expenses for buildings listed on the National Register of Historic Places.

## GREATER MINNESOTA IMPACT



## JOB CREATION↑

18,650 jobs created since 2011

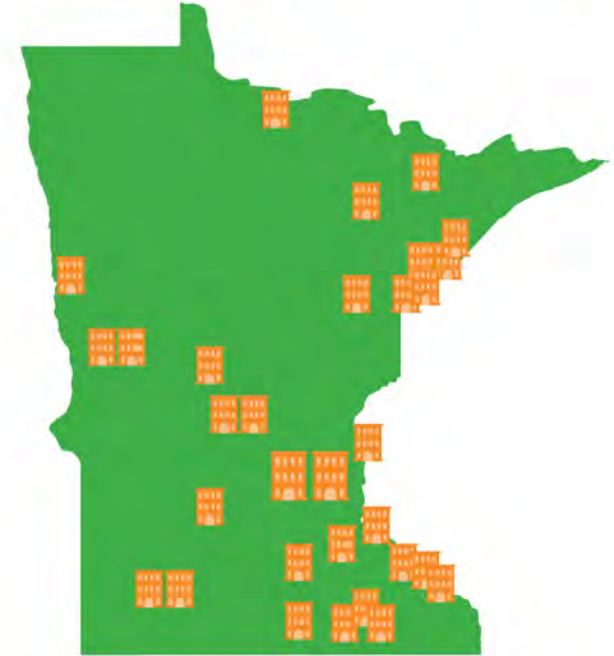
The program touches 97% of the industries in Minnesota

## POTENTIAL LOSS↓

Minnesota stands to lose \$1.1 billion in labor dollars and thousands of good paying jobs over the next ten years



## STATEWIDE PROJECT SITES



Over 140 Historic Tax Credit projects have been completed across the state since 2011.

## REVITALIZE



creating jobs & rebuilding communities

Erin Hanafin Berg  
651.353.1394  
[erin@rethos.org](mailto:erin@rethos.org)

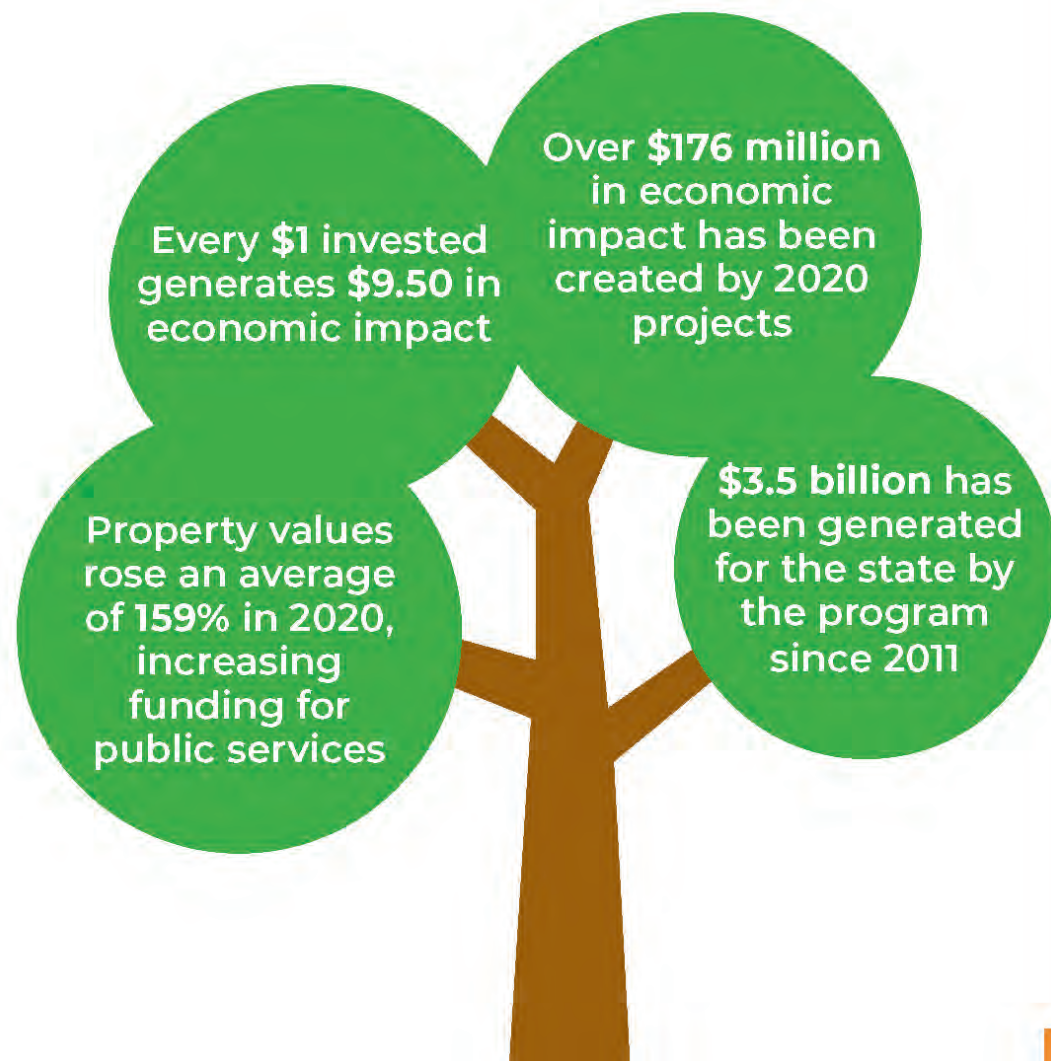
Tom Hanson  
612.604.6414  
[thanson@winthrop.com](mailto:thanson@winthrop.com)



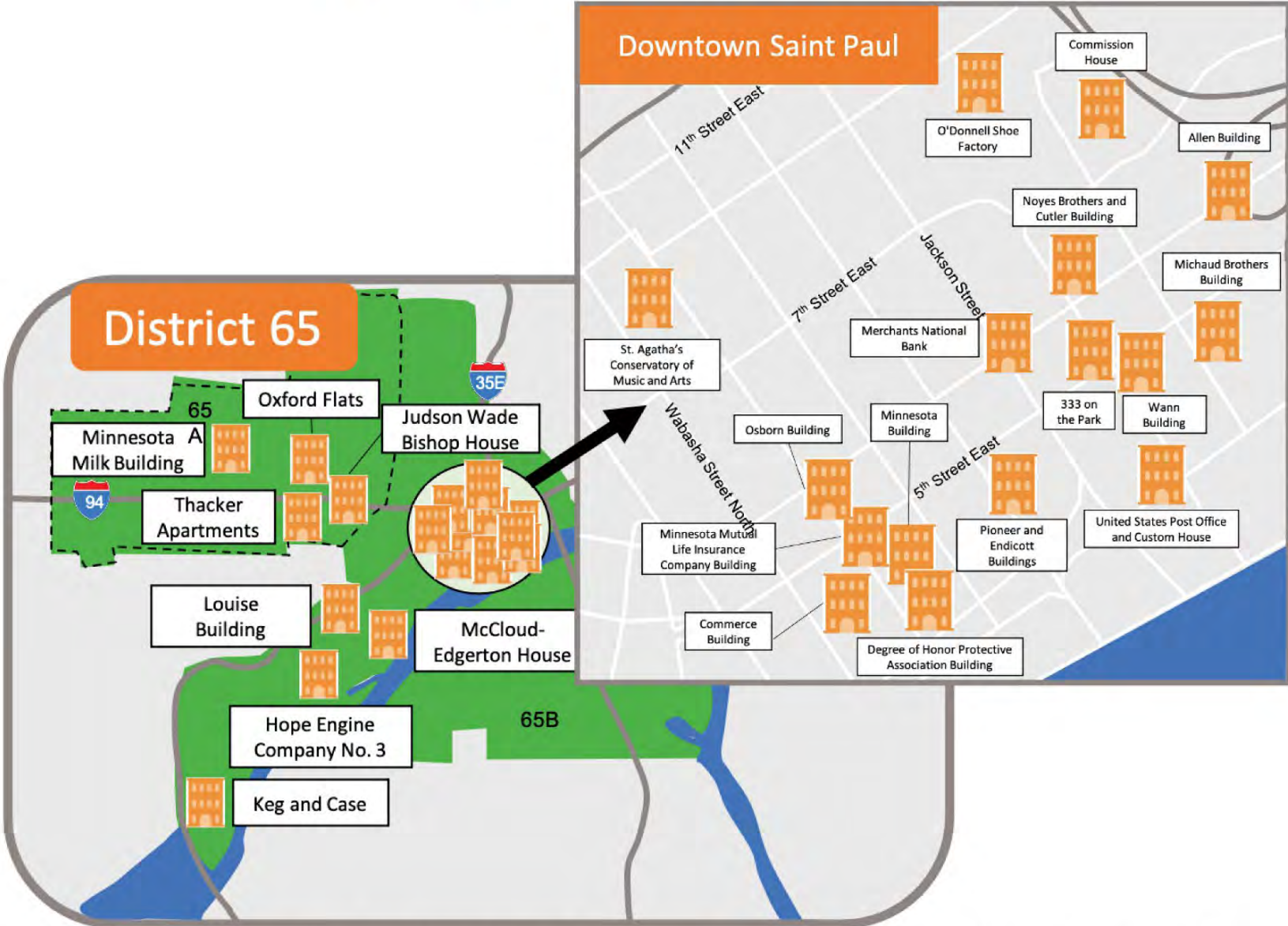


Minnesota's Historic Structure Rehabilitation Tax Credit provides a 20% tax credit for qualified rehabilitation expenses for buildings listed on the National Register of Historic Places.

## CREATING JOBS, SUPPORTING COMMUNITIES



# DISTRICT PROJECT SITES



Over 140 Historic Tax Credit projects have been completed across the state since 2011.

Historic buildings are home to more jobs in new, small, and non-chain businesses and contain 25-80% more women and minority-owned businesses than new buildings.

National data show that character-rich older and mixed-age buildings contain more than twice as many units of affordable rental housing and more diverse residents in terms of race, country of origin, and sexual orientation when compared to areas with large, new structures.

Older neighborhoods have more residents of different ages and generations than typical citywide averages.

# Office of the Revisor of Statutes

Retrieve by number Bills  GO

## SF 685 Status in the Senate for the 92nd Legislature (2021 - 2022)

[Current bill text: As Introduced](#)

[Add SF 685 to MyBills](#)

[Version List](#)

[Long Description](#)

[Companion: HF724](#)

[Companion Text](#)

[House Search](#)

[Committee Hearings and Actions](#)

### Description

Individual income and corporate franchise tax credit for historic structure rehabilit

### Authors (5)

[Miller](#); [Senjem](#); [Bakk](#); [Dziedzic](#); [Jasinski](#)

# Office of the Revisor of Statutes

Retrieve by number Bills  GO



## HF 724 Status in the House for the 92nd Legislature (2021 - 2022)

[Current bill text: As Introduced](#)

[Add HF 724 to MyBills](#)

[Version List](#)

[Long Description](#)

[Companion: SF685](#)

[Companion Text](#)

[Senate Search](#)

[Further Committee Actions](#)

[Revisor number: 21-01556](#)

[House Research Summary](#)

[Fiscal Notes](#)

### Description

Historic structure rehabilitation credit sunset repealed.

### Authors (11)

[Youakim](#); [Dettmer](#); [Davnie](#); [Stephenson](#); [Garofalo](#); [Davids](#); [Ecklund](#); [Schomacker](#); [Rasmusson](#); [Freiberg](#); [Daniels](#)

### Actions

Separated

Chronological

### House

02/04/2021 Introduction and first reading, referred to [Taxes](#) pg. [309](#) [Intro](#)

02/08/2021 Author added Winkler pg. [365](#)

# Minnesota House of Representatives

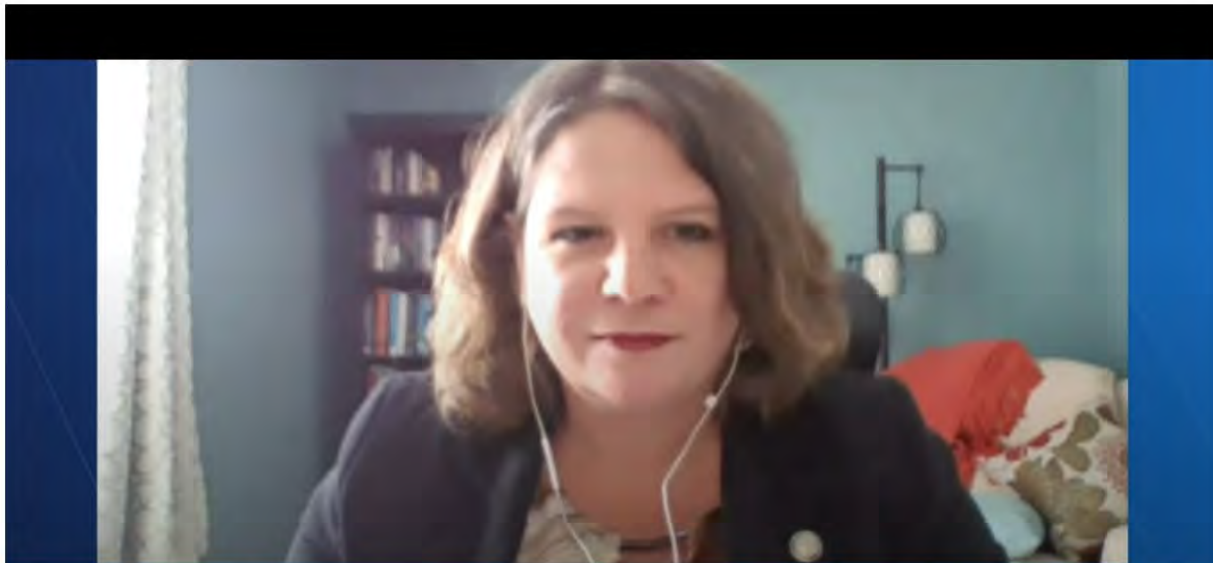
Get bill info



THE HOUSE IS ADJOURNED UNTIL 12:15 P.M. FRIDAY APRIL 9, 2021



## Your Selected Archive



### House File 724

Historic structure rehabilitation credit sunset repealed.

MN House

Tuesday, February 23, 2021



04:03 / 1:24:21



## House Taxes Committee

Tuesday, February 23, 2021 - 1:00:00 PM

03:54 - HF724 (Youakim) Historic structure rehabilitation credit sunset repealed.

1:00:00 - HF921 (Baker) Capital equipment machinery purchase sales tax exemption expanded.

Runs 1 hour, 23 minutes



YouTube

Search



**House File 991**  
**Omnibus tax bill**

MN House

Wednesday, April 7, 2021

Reaching Across Minnesota.  
See our Press Coverage below.



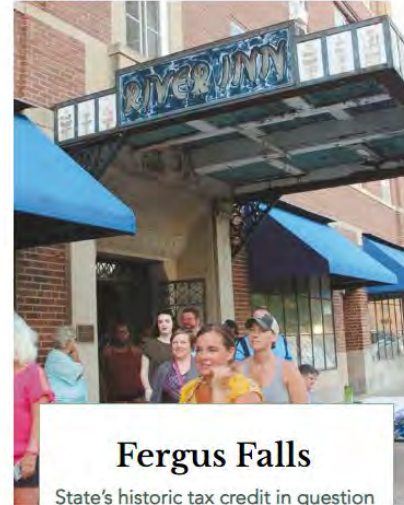
**Finance & Commerce**

Bill would extend historic tax credit



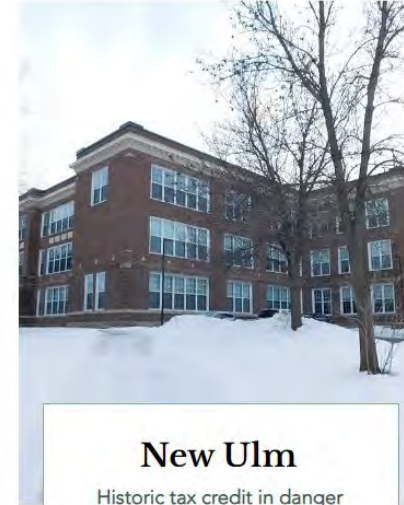
**International Falls**

Lawmakers must extend tax credit



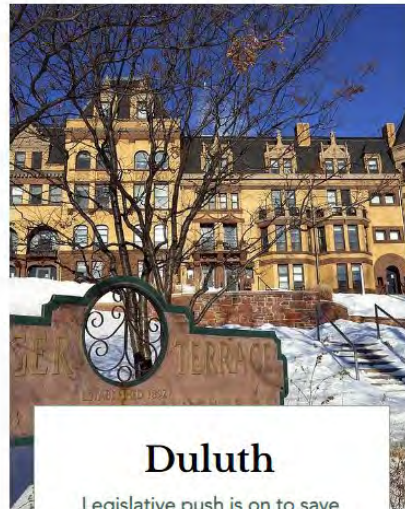
**Fergus Falls**

State's historic tax credit in question



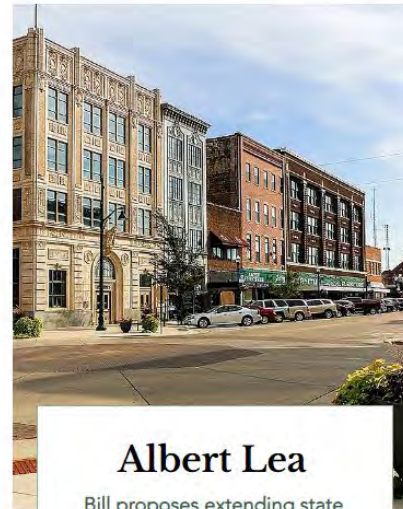
**New Ulm**

Historic tax credit in danger



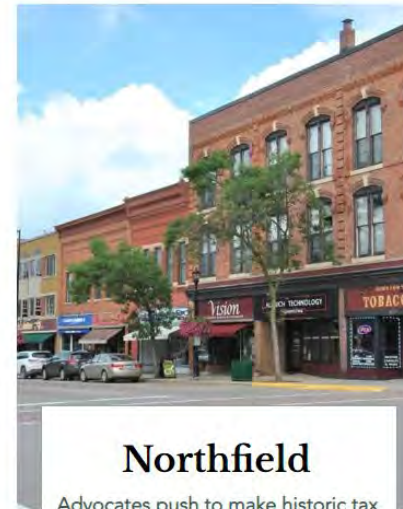
**Duluth**

Legislative push is on to save Minnesota's historic tax credit before it expires



**Albert Lea**

Bill proposes extending state historic tax credit program



**Northfield**

Advocates push to make historic tax credit permanent



**Devin Martin**

*Created: April 02, 2021 10:36 PM*

(ABC 6 News)- An important tax credit is expiring in a few months, one that will affect how our cities and towns grow in the future.

It's called the historic tax credit. Many businesses throughout the state have benefitted from it.

LinkedIn Jobs

Get Started

### MOST READ STORIES

Speed limit changes are taking place in Rochester



Austin City Council will wait to take action on proposed Mill Pond Apartments



Hayfield advances to state championship, looking for first state title



Drug investigation leads to arrest of 19-year-old from Rochester







# Revitalize MN

@RevitalizeMN · Nonprofit Organization

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revitalize\_mn

Message, Profile, Dropdown, More icons

47 posts 223 followers 98 following

RevitalizeMN


Nonprofit Organization

Working to create jobs and rebuild communities through preserving Minnesota's Historic Tax Credit.


[ujoin.co/campaigns/1194/actions/public?action\\_id=1258](https://ujoin.co/campaigns/1194/actions/public?action_id=1258)

Followed by okeefew, mnheritagepreservation, elizabethgales +6 more

POSTS IGTV TAGGED




Minnesota House



Minnesota Senate

The Dayton's Project Minneapolis, MN



From this To that



**Thank you for your support, Rochester City Council**



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 **Rethos: Places Reimagined**  
@rethos\_

# RevitalizeMN

25 Tweets



More options, Direct message, Notifications, and Following buttons.

## RevitalizeMN

@MnRevitalize Follows you

Working to create jobs and rebuild communities through preserving Minnesota's historic tax credit

[rethos.org/revitalizemn](https://rethos.org/revitalizemn)

Joined January 2021

59 Following 29 Followers

Followed by New History, Meghan Elliott, and 9 others you follow

Tweets Tweets & replies Media Likes

RevitalizeMN Retweeted



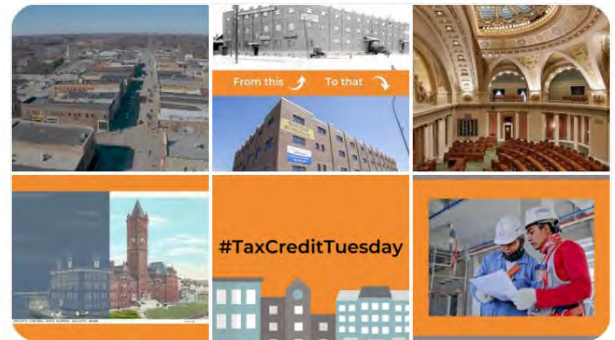
**Preservation Action** @PreservationAct · Mar 31

Great overview of New Jersey's new #HistoricTaxCredit program. Congratulations to @PreservationNJ on their successful years-long advocacy effort!

**Preservation NJ** @PreservationNJ · Mar 31

PNJ has been selected for funding from the state's historic preservation...

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### What's happening

COVID-19 · This afternoon

**B.1.1.7 variant first discovered in**

### Messages



## LOCAL GOVERNMENT

---

Historic Preservation Commissions  
City Councils  
Planning Commissions  
Chambers of Commerce

- Share [@RevitalizeMN](#) on your social media channels
- Pass a resolution supporting the Tax Credit. [Click here](#) for sample language.
- Send a letter to your Legislator, [Click here](#).



## INDIVIDUAL

---

There are several ways to engage with RevitalizeMN:

- Follow us on social media [@RevitalizeMN](#)
- [Click here](#) to Sign our Petition
- To Contact your Legislator [Click here](#)



## ORGANIZATION

---

Are you with a local historical organization, housing nonprofit, or place making nonprofit?

- Share [@RevitalizeMN](#) on your social media channels
- Contact your Legislator [here](#)
- [Click here](#) to Submit a Letter to the Editor



[www.rethos.org/revitalize-mn-advocate](http://www.rethos.org/revitalize-mn-advocate)

# Support SF 685/HF 724

I am writing to encourage you to support extending Minnesota's Historic Tax Credit. Since 2011, the tax credit has created 18,650 jobs and generated \$3.5 billion for the state, while preserving the historic structures that define our communities. The tax credit preserves historic buildings while rehabilitating them for the 21st century needs of Minnesota.

**Our Historic Tax Credit has successfully created jobs and revitalized communities across the state. If the tax credit is not extended, Minnesota will lose thousands of jobs and the opportunity to invest in the care and future of historic structures.**

I urge you to vote to extend Minnesota's Historic Tax Credit (HF 724/SF 685) and invest in communities across the state.

Check this box to stay updated on this issue

SEND EMAIL

## summary

Minnesota's Historic Tax Credit is expiring, and we are in danger of losing a vital tool that creates jobs and revitalizes communities. Email your legislator to urge them to vote for HF 724/SF 685 and that extending Minnesota's Historic Tax Credit matters to you.

## who will receive your email?

After you enter your address we will send your email directly to your State Senator(s) and State Representative

## why sign?

- In Greater Minnesota, Historic Tax Credit projects have seen up to \$16 of economic impact for every \$1 of invested tax credit
- \$3.5 billion has been generated for our state
- The Historic Tax Credit impacts 97% of industries in Minnesota
- Money generated from Historic Tax Credit projects is used to fund schools, parks, fire stations, and infrastructure
- The Historic Tax Credit has created 18,650 jobs since 2011

40.1 (6) restitution payments received by eligible individuals and excludable interest as  
 40.2 defined in section 803 of the Economic Growth and Tax Relief Reconciliation Act of 2001,  
 40.3 Public Law 107-16.

40.4 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 40.5 31, 2020.

40.6 Sec. 27. Minnesota Statutes 2020, section 290.0681, subdivision

40.7 Subd. 10. **Sunset.** This section expires after fiscal year ~~2021~~ 2025  
 40.8 authority to issue credit certificates under subdivision 4 based on all  
 40.9 were issued before fiscal year ~~2022~~ 2030 remains in effect through  
 40.10 reporting requirements in subdivision 9 remain in effect through the  
 40.11 in which all allocation certificates have either been canceled or resal  
 40.12 certificates, or ~~2025~~ 2033, whichever is earlier.

40.13 **EFFECTIVE DATE.** This section is effective the day followin

40.14 Sec. 28. Minnesota Statutes 2020, section 290.0682, is amended

40.15 **290.0682 STUDENT LOAN CREDIT.**

40.16 Subdivision 1. **Definitions.** (a) For purposes of this section, the  
 40.17 the meanings given.

40.18 (b) "Adjusted gross income" means federal adjusted gross incom  
 40.19 62 of the Internal Revenue Code.

40.20 (c) "Earned income" has the meaning given in section ~~32(e)~~ of  
 40.21 Code 290.0675, subdivision 1, paragraph (b).

40.22 (d) "Eligible individual" means a resident individual with one or n  
 40.23 loans related to an undergraduate or graduate degree program at a postsecondary educational  
 40.24 institution.

40.25 (e) "Eligible loan payments" means the amount the eligible individual paid during the  
 40.26 taxable year in principal and interest on qualified education loans.

40.27 (f) "Postsecondary educational institution" means a public or nonprofit postsecondary  
 40.28 institution eligible for state student aid under section 136A.103 or, if the institution is not  
 40.29 located in this state, a public or nonprofit postsecondary institution participating in the  
 40.30 federal Pell Grant program under title IV of the Higher Education Act of 1965, Public Law  
 40.31 89-329, as amended.

40.6 **Sec. 27. Minnesota Statutes 2020, section 290.0681, subdivision 10, is amended to read:**

40.7 **Subd. 10. Sunset.** This section expires after fiscal year ~~2021~~ 2029, except that the office's  
 40.8 authority to issue credit certificates under subdivision 4 based on allocation certificates that  
 40.9 were issued before fiscal year ~~2022~~ 2030 remains in effect through ~~2024~~ 2032, and the  
 40.10 reporting requirements in subdivision 9 remain in effect through the year following the year  
 40.11 in which all allocation certificates have either been canceled or resulted in issuance of credit  
 40.12 certificates, or ~~2025~~ 2033, whichever is earlier.

40.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.



**Minnesota  
House**



**Minnesota  
Senate**



revitalize\_mn • Following



**revitalize\_mn** Earlier this week, the Taxes Committee in the Minnesota House made it clear that they support our Historic Tax Credit. Will the Taxes Committee in the Minnesota Senate do the same? Link in bio to contact your senators.

14h



**revitalize\_mn** #mnlegislature #taxescommittee #economicdevelopment #jobcreation #mnsenate #mnhouseofrepresentatives #minnesotalegislature #saintpaulcapitol

14h Reply



Liked by elizabethgales and 4 others

14 Hours Ago



Add a comment...

Post





**Preservation Action**

April 2 at 4:09 PM · 🌐



The Historic Tax Credit Growth and Opportunity Act was just introduced in the House by Reps. Earl Blumenauer (D-OR) and Darin LaHood (R-IL). This important bill includes temporary tax provisions that will bring relief to projects impacted by the pandemic and permanent provisions that will add value to the Historic Tax Credit, improve access to the credit, and increase investment in smaller rehabilitation projects.

Preservation Action has made it easy for you to take action. Urge your Representative to cosponsor the bipartisan HTC-GO Act today!

<https://preservationaction.org/htc-go-alert-house/>



**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Historic Tax Credit Growth and Opportunity Act of 2021”.

**SEC. 2. INCREASE IN REHABILITATION CREDIT.**

(a) IN GENERAL.—Section 47(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) INCREASED PERCENTAGE FOR QUALIFIED REHABILITATION EXPENDITURES BEFORE 2027.—

“(A) IN GENERAL.—In the case of any qualified rehabilitated building with respect to which there are qualified rehabilitation expenditures paid or incurred in any taxable year beginning after December 31, 2019, and before January 1, 2027—

“(i) paragraph (2) shall be applied by substituting ‘the applicable percentage’ for ‘20 percent’ with respect to such expenditures, and

“(ii) the ratable share of such expenditures shall be determined separately under paragraph (2) by applying the applicable percentage for each such taxable year to the expenditures for each such taxable year.

“(B) APPLICABLE PERCENTAGE.—For purposes of this paragraph, the term ‘applicable percentage’ means the percentage determined in accordance with the following table:

“In the case of a taxable year beginning in:	The applicable percentage is—
2020 through 2024 .....	30
2025 .....	25
2026 .....	23
2027 and thereafter .....	20”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after March 31, 2021.

**SEC. 3. INCREASE IN THE REHABILITATION CREDIT FOR CERTAIN SMALL PROJECTS.**

(a) IN GENERAL.—Section 47 is amended by adding at the end the following new subsection:

“(e) SPECIAL RULE REGARDING CERTAIN SMALL PROJECTS.—

“(1) IN GENERAL.—In the case of any small project—

“(A) the percentage under subsection (a)(2) shall be 30 percent, and

“(B) the qualified rehabilitation expenditures taken into account under this section with respect to such project shall not exceed \$2,500,000.

“(2) SMALL PROJECT.—For purposes of this subsection, the term ‘small project’ means the rehabilitation of any qualified rehabilitated building if—

“(A) the qualified rehabilitation expenditures taken into account under this section (or which would be so taken into account but for paragraph (1)(B)) with respect to such rehabilitation do not exceed \$3,750,000,

“(B) no credit was allowed under this section with respect to such building to any taxpayer for either of the 2 taxable years immediately preceding the first taxable year in which expenditures described in subparagraph (A) were paid or incurred, and

“(C) the taxpayer elects (at such time and manner as the Secretary may provide) to have this subsection apply with respect to such rehabilitation.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2021.

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Erin Hanafin Berg, Rethos Policy Director  
[erin@rethos.org](mailto:erin@rethos.org)