

Regarding SB 933

The income tax credit offered to owners of qualifying historic structures who rehabilitate their property is an extraordinarily effective “carrot.” In a city like New Haven, with almost all its housing stock decades old – yet in many instances of historic importance and located in historic districts – the income tax credit is being used more and more, as word of its availability spreads and residents see for themselves how it has been used by their neighbors, including mine.

Increasingly, as well, it is being used by developers who are renovating former factories and businesses, often to serve as desperately needed moderate- and low-income housing.

The tax credit costs the state nothing until all the improvements have been satisfactorily completed – and by then the value of the property has increased, swelling the municipality’s grand list and easing pressure on the state to provide local financial aid.

While the renovations are being done, employment is provided to architects, contractors, builders, painters and all the workers involved in the building trades, who pay state income tax from their salaries and state sales tax from the supplies they buy. Altogether, the revenue generated by this rehabilitation and the restored historic building stock exceeds in value, both real and esthetic, the tax credit itself.

So as difficult as your task is this session to draft a budget that is both realistic and balanced, I sincerely hope it will not be done by eliminating this very important tax credit.

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