

Dear Chair Brewster and Members of the Revenue Interim Committee,

I am writing to ask for your support in modernizing Montana's Historic Preservation Tax Credit. This proven economic development tool helps revitalize historic buildings, strengthen local economies, and encourage private investment in communities across Montana. I am undergoing my own rehabilitation of a historic building in Uptown Butte and the use of Historic Preservation Tax Credits is paramount to the success of the project.

Since 1997, approximately \$196 million has been invested into buildings in the state with use of the historic tax credit, at a cost of just \$9.8 million to Montana taxpayers (an average cost of only \$350,000 per year). An estimated \$1.50 was returned to the state treasury in local and state taxes for every \$1 of the credit. These 72 projects in 19 Montana communities have created housing, supported small businesses, restored community spaces, and revitalized downtowns.

Historic rehabilitation projects—like the one I am undertaking—are often difficult to finance, and stakeholders consistently report that the historic tax credit is critical to making projects financially feasible. However, Montana's current 5% credit is the lowest in the nation and, coupled with its lack of transferability, makes the tax credit no longer competitive.

I encourage the Committee to support two important updates:

- Increase the credit from 5% to 20% to better support rehabilitation projects and economic growth.
- Allow transferability of the credit to encourage greater investment in Montana communities.

Modernizing the state historic tax credit will help preserve Montana's historic places while creating jobs, increasing local tax bases, and strengthening communities across the state.

Thank you for your consideration and service to Montana.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Hohne". The signature is fluid and cursive, with a large initial "R" and a stylized "Hohne".

Richard Hohne  
Granite Works, LLC  
Thornton Hotel, Butte, Montana

