



NEW YORK STATE SENATOR

Tony Avella

## Avella Joins in Calls to Extend and Decouple Historic Preservation Tax Credits in NYS Budget

TONY AVELLA February 26, 2018

**Queens, NY** – This afternoon, State Senator Tony Avella signed on to a letter from fellow Senator David Valesky (D-Syracuse) addressed to the New York State Senate's Majority Leader John Flanagan and Coalition Leader Jeff Klein requesting that the Senate include the extension and decoupling of the historic preservation tax credits in the Senate's 2018-19 one-house budget proposal.

"The State Historic Tax Credits are set to expire in 2019 and, as the Legislature has done in the past, it is imperative that we extend this program long before the expiration date arrives. Municipalities across New York recognize the economic impact of the State Historic Tax Credits and seek program eligibility through National Register Historic District nominations. These National Register nominations can take up to a year for completion and designation. Extension in the 2018-19 budget will ensure that projects currently in the pipeline for investment and rehabilitation continue to move forward, with investor and developer confidence that the program will remain in place. This confidence will allow continued reinvestment in the urban cores, downtowns, and main streets of communities in every corner of New York State," **the letter reads.**

Additionally, the Federal Tax Cuts and Jobs Act has created new obstacles to historic preservation in New York State by spreading the 20% Federal Historic Tax Credit over five years rather than allowing the credit to be taken in a single year.

“Our State Historic Tax Credit is linked to the Federal Historic Tax Credit; therefore, changes on the federal level weaken the state tax credit. Economists currently estimate that by spreading the credit over five years, the Federal Historic Tax Credit will have a reduced value to investors who contribute the necessary capital for historic preservation projects as part of a Historic Tax Credit project. As part of the extension of the State Historic Tax Credits, there is an urgent need to decouple them from the Federal Historic Tax Credit and protect the value of the State Historic Tax Credits to maintain the important revitalization of communities all over the State,” **the letter continues.**

Senator Avella, a longtime proponent of historic districts and preservation, has successfully rezoned large parts of his District and is the author of a number of pieces of legislation in the State Legislature to protect the historic architectural characteristics of towns throughout the State of New York.

“As someone who has been a champion for historic preservation throughout my lifetime, I feel it is necessary that we extend these tax credits well before they expire. These tax credits have proven to be valuable tools for preservation throughout our state and to get rid of

them would be harmful to many regions. I am proud to stand with my colleagues in government in trying to correct the damages to our state that the new federal tax policy is creating," **said Senator Avella.**