



ECONOMIC IMPACT OF A HISTORIC TAX CREDIT

<u>National Economic Impact:</u>	<u>Cumulative (FY 1978-2021):</u>	<u>Annual FY 2021:</u>	<u>Texas (\$ millions)</u>
Total historic rehabilitation expenditure	\$199.1 billion	\$8 billion	\$839.5 million
Jobs (persons)	3,042,000	135,000	13,563
Income (\$ billion)	\$157.3	\$5.6	\$608.2
Output (\$ billion)	\$428.4	\$15.0	\$795.4
GDP (\$ billion)	\$213.8	\$7.7	\$1,644.4
Taxes (\$ billion)	\$60.7	\$2.1	\$29.0
Federal	\$42.9	\$1.3	\$16.7
State	\$8.8	\$0.3	\$149.8
Local	\$9.0	\$0.4	\$195.5

Total Return on the Investment?

The HTC program is a low- risk- high return program that provides an estimated **\$6 to \$1** return on investments at the state level. Studies show that Historic Tax Credit's pay back the state's investment over a period of time through the renovation and utilization of underused buildings, increasing local property tax revenues, and increasing properties' assessed values.

Weighing against these costs are the significant economic impacts and tax revenue generated by HTC-aided. An important finding is that the HTC yields a net benefit to the U.S. Treasury, generating **\$42.9 billion** in Federal tax receipts over the life of the program, compared with \$37.6 billion in credits allocated.

U.S. Department of the Interior Technical Preservation Services, Annual Report on the Economic Impact of the Federal Historic Tax Credit for FY 2021 (2023). New Brunswick, New Jersey ; Rutgers: Edward J. Bloustein School of Planning and Public Policy