

Written Testimony in Support of HB862, Historic Revitalization Tax Credit-Transferability, Funding, and Extension

Submitted to the House Ways and Means Committee

On behalf of the staff and Board of the Southern Maryland Heritage Area Consortium, I am writing in support of the value of history and preservation in Maryland.

Why this Bill Matters

Tourism supports 143,000 jobs in Maryland and generates over \$2.3 billion in state and local tax revenue. A major component of Maryland's tourism industry is heritage tourism. Heritage Tourism supports historic, cultural and natural resources, as visitors seek to experience the state's rich heritage. Our state heritage areas are also economic engines: \$19.8 million in state and local taxes generated, \$4.45 return on investment for every dollar of state grant funds, \$7.78 leveraged by every dollar of state grant funds.

HB862 would strengthen the Maryland Historic Revitalization Tax Credit, which encourages investment in the historic resources that cater to these lucrative heritage tourists, who studies have shown stay longer and spend more money than any other category of tourist.

What this Bill Does

HB862 would add much needed funding to the Competitive Commercial historic tax credit program, make those credits transferable, and extend the program through FY2028. All of these changes to the historic tax credit program would help encourage the reinvestment in the structures that have made and continue to make Maryland unique and tell the stories of Maryland's rich past.

Why You Should Vote for This Bill

The historic tax credits that would be made available through HB862 would incentivize the investment in rehabilitating the heritage resources that draw in and cater to lucrative heritage tourism visitors. Additionally, Southern Maryland has a number of historic structures. There is a real need to make sure that the historic resources associated with Southern Maryland's rich past do not disappear. HB862 would help to encourage this practice and give these old buildings a new and financially viable use.

Not only does investing in preserving Maryland's history make civic sense: it makes sound financial sense too.

Support

Respectfully Submitted,

Lucille Ward Walker

Executive Director

Southern Maryland Heritage Area Consortium