



KEY FACTS AND MESSAGES

Building Rehabilitation is an Exceptional Economic Stimulant

- Community revitalization – property renewal attracts new businesses and residents and increases property values; and
- Jobs – rehabilitation creates more jobs than new construction.

US Rehabilitation Tax Incentive has Proven Track Record

In the United States, *The Economic Recovery Tax Act* of 1981 introduced heritage-friendly changes to the federal tax system designed to stimulate the economy. The results are impressive:

- Over \$36 billion in private investment in historic buildings leveraged (5 times more than the tax credits);
- An average of 45 new jobs created by each project; and
- Over 350,000 housing units created, 60,000 of them low and moderate income housing.

The US tax system provides a 20% federal tax credit for rehabilitation of heritage buildings and a 10% tax credit for the rehabilitation of non-heritage, non-residential buildings built before 1936.

Canadian Communities and Key Stakeholders Agree a Rehabilitation Incentive Is Needed

Thousands of Canadians and over a dozen Canadian municipalities have endorsed the Heritage Canada Foundation's resolution calling for federal tax rehabilitation tax incentive. Provincial and territorial governments are on board. The Canadian Urban Institute and the Royal Architectural Institute of Canada emphatically endorse tax incentives. In September 2008, the Federation of Canadian Municipalities threw their weight behind this call for a rehabilitation tax incentive.

A Heritage Rehabilitation Tax Incentive Can Be Up and Running Quickly

A pilot program to test such an incentive was successfully completed by Parks Canada Agency during 2003-2007. The requisite tools to administer a tax incentive are already in place:

- The Canadian Register of Historic Places identifies properties eligible for heritage tax measures;
- Standards and Guidelines have been published and adopted; and
- Trained agents are in place in every province to certify the tax-supported work.

More Good Reasons to Encourage Heritage Building Rehabilitation:

- Curb landfill - reduce Canada's annual 10 million tonnes of construction and demolition waste;
- Reduce emissions and energy consumption- rehab uses less than half the energy of new construction;
- Optimize Existing Infrastructure – rehab avoids new road, sewer, and hydro infrastructure; and
- Save our heritage – Canada has lost over 20% of its pre-1920 buildings in the last 30 years.