

# Oklahoma Historic Tax Credit

## Impact on the Oklahoma Economy

Tulsa Foundation for Architecture commissioned the report *The Oklahoma Historic Tax Credit: Impact on the Oklahoma Economy* in early 2016. Study findings demonstrate that the tax credit is a **fiscally responsible** tax incentive. Many of the projects and investments in Oklahoma communities would not have happened without them. The historic tax credit has been a remarkable success in **creating jobs**, in **generating tax revenues** at the state and local levels, and in increasing the understanding of and appreciation for the wonderful history of Oklahoma as represented in its historic buildings.

The State historic tax credit is a 20% income tax credit incentive created in 2001 and administered by the State Historic Preservation Office at the Oklahoma Historical Society. These credits are used to rehabilitate all types of income producing historic buildings like vacant schools, warehouses, factories, retail stores, apartments, hotels, and office buildings throughout the State, in towns large and small.

### A Successful State Program:

- Since 2001, 77 historic buildings have been fully rehabilitated using the credits to date.
- 18 counties have benefitted from historic tax credit investment across the state so far.
- The State historic tax credit has attracted over \$415 million in rehabilitation expenditures with total project investment reaching \$520 million.
- Rehabilitation of these buildings has generated 3,232 direct jobs and 3,514 indirect and induced jobs, an average of 450 jobs per year.
- In total, these rehabilitation projects have generated direct salaries and wages of \$166,939,000 and indirect and induced wages of \$142,869,000, an average of \$20,654,000 each year.
- **Every \$1 awarded in historic tax credits spurs \$11.70 in economic activity.**
- Average project investment is over \$6.8 million, while a third of all projects are less than \$500,000.
- The Oklahoma treasury receives more than 50% of the money back before the credit is even awarded through taxes.
- If the average number of historic tax credit projects each year were a single industry, it would be among the largest five percent of all firms in Oklahoma.

# Oklahoma Historic Tax Credit Transforming Tulsa

- Since 2001, 18 historic buildings have been rehabilitated using State tax credits.
- State Tax credit has attracted over \$157 million in rehabilitation expenditures with total project investment reaching more than \$230 million.
- Average project investment is over \$12.8 million, but projects range from \$150,000 to \$64 million (Tulsa Paper Company)

## Tax Credits at Work in Tulsa:

Tulsa Paper Company Before (Left) and After (Right)



Mayo Hotel Ballroom Before (Left) and After (Right)

