

HISTORIC DISTRICT COMMISSION JOINT MEETING WITH HISTORICAL
COMMISSION AND HISTORICAL SOCIETY BOARD

November 3, 1976

Historic District Comm.

Dorothy Scott
Richard Fellrath
Thelma Halberg
Tammy Renshaw

Historical Commission

Jeanene Jenses
Brady Brenton
Bill Price
Thelma Halberg

Historical Society Board

Dorothy Scott
Bill Price
Tammy Renshaw

Meeting called to order: 7:40 -

Purpose: To decide what is the best course of action with regard to the wagon shop now located on the property of Mr. Alex Gow. Square Lake and Livernets.

Report from Mrs. Chicks:

Mr. Fellrath's understanding is an estimate of \$10,000 to move as is or dismantle and rebuild and restore. The structure is not in condition to be moved with self-help. Historic District Comm. feels it would be a natural for the industrial area of the Green.

Mrs. Jensen reported the Historical Commission discussed it and issued a statement of support. They also stated they have no funding but would welcome it at the green so long as it was not left in a pile. Funds must be adequate for exterior restoration.

Mr. Price stated the Historical Society is sympathetic to the preservation of this structure.

Facts: Size: 22x32' A & C Moving - approx 2,000.00
Another estimate was 4,200.00

A & C Moving offered wood shake shingles and most restoration for \$10,000 (excluding electrical).

Representatives from all historic groups will attend the Public Hearing on Nov. 22, for reiteration of qualifications for acceptance by the Historical Commission and the City of Troy.

Mr. Fellrath will have copies of reports for distribution to whomever is there. Mr. Fellrath also has found information on accelerated depreciation of historic properties that will be sent to Mr. Gerstenecker for inclusion in council packets prior to the November 22 public hearing on the Historic Ordinance.

We have been asked to do a survey on the Howland House at Troy Corners and preliminary data has been submitted.

General information - Stone School is to be privately restored.

D-1

Corporate Taxable Income	Tax Rate
Up to \$25,000	20%
\$25,001 to \$50,000	\$5,000 + 22% of excess
\$50,001 and up	\$10,500 + 48% of excess

☐ **1975 investment credit amendments extended.** The liberalizing factors in the 1975 Tax Reduction Act have been extended through 1980. These include the first-in, first-out rule, the 10 percent investment credit, allowance of the credit for up to \$100,000 of used equipment purchases, and the 11 percent for banks that contribute the extra percentage point to an employee stock ownership plan.

☐ **Investment credit further liberalized.** A corporation can increase its 11 percent investment credit in respect of its contribution to an employee stock ownership plan to 11½ percent if it contributes the extra half-point to the plan and that contribution is matched by its employees.

Effective date: January 1, 1977.

☐ **Partial investment credit for pollution-control equipment instituted.** Companies that install pollution-control equipment in plants that were in existence on January 1, 1969 will be entitled to a 5 percent investment credit. The credit applies to equipment placed in service between January 1, 1977 and December 31, 1980.

☐ **Net operating loss carryforwards are liberalized.** Your corporation will have two additional years in which it can carry forward its business losses. Thus, the new time period for carryovers will be seven years. A company could also elect in any year to skip the loss carrybacks to which it is entitled and carry forward the losses instead.

Effective date: January 1, 1977.

☐ **Accelerated depreciation both limited and expanded.** If your corporation erects a building on a site where a "certified historic building" had been demolished, it can't depreciate the building by using an accelerated method. (Nor will it be entitled to any deduction for the costs of the demolition.) But the costs of acquiring and rehabilitating a historic

building will qualify for accelerated depreciation.

Effective date: Retroactive to January 1, 1976.

☐ **Fast amortization for pollution-control equipment restored.** Companies that install pollution-control equipment in plants that were in existence on January 1, 1969 will be entitled to amortize the cost over five years. The write-off applies to equipment placed in service between January 1, 1977 and December 31, 1980, and can be taken in addition to the 5 percent investment for pollution facilities discussed above.

☐ **New write-offs for buildings remodeled to aid the handicapped.** Your corporation will be able to deduct up to \$25,000 per year between years 1977 and 1979 only for costs incurred in removing architectural barriers to handicapped or elderly persons.

☐ **Minimum tax beefed up considerably.** Changes in the exemption from the minimum tax and in the minimum tax rate spell bad news for your corporation. The exemption will be reduced to the greater of one-half of a corporation's regular taxes or \$10,000. The previous exemption was \$30,000 plus the sum of regular corporate taxes and income taxes paid for the preceding seven years (but not before 1970), not previously used to offset tax preference items. The new law also eliminates the provision that allowed a company to carry forward for up to seven years any regular taxes that weren't to offset preferences in the current year.

The rate has been increased from 10 percent to 15 percent.

Effective date: January 1, 1976. Only half the minimum tax liability applies the first year.

CL&TR Note: Our next issue will carry an article outlining the minimum tax changes in greater detail and illustrating the impact and the cost of the new minimum tax provisions with some dollars-and-cents examples.

☐ **Corporations with foreign operations: per-country formula for foreign tax credits eliminated.** Corporations with foreign activities will have to compute their foreign tax