SENATE TAXATION
EXHIBIT NO. 3
DATE 2.18.09
BILL NO. SB 315

Commissioners approve tax breaks

By LARRY KLINE - Independent Record - 01/11/08

City and county commissioners this week approved $894,500 in tax abatements over the next decade for a high-end Helena aerospace manufacturing firm.

Summit Aeronautics has invested about $9.8 million in new equipment, and BHAM Development — which owns Summit's property near the Helena Regional Airport — is expanding the property in a $4.3 million building project.

Summit officials have said the investments will produce about 50 new jobs in Helena over the next five years, with salaries averaging $38,832.

City commissioners approved the abatements Monday night, and county commissioners gave their green light Thursday morning.

Local government officials said the abatement was an easy decision.

"Community leaders are always talking about bringing good-paying jobs into town" without adding stress to infrastructure or the local environment, Lewis and Clark County Commission Chairman Ed Tinsley said. "This is the prototype business for that.

"It just makes complete sense for us to give them a break," he added.

The abatement forgives 50 percent of taxes in the first five years before it's reduced by 10 percent in each of the following years.

Summit's clients include Boeing, Lockheed-Martin, Kawasaki and other big names.

Much of its business and competition is located across the country and around the world, company officials said.

"It is very important for us to stay as competitive as possible," Summit President Tom Hoffman told commissioners in a joint meeting last month.

Taxes on business equipment can be the "difference between making money and losing money," he added.

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