

County approves tax break for mine

By Brent Shrum

Posted: Monday, Mar 07, 2005 - 11:42:41 am MST

Western News

The Lincoln County Commissioners on Wednesday approved a 50-percent tax break as an incentive to facilitate the re-opening of the former Asarco copper and silver mine near Troy.

With the incentive, Revett Silver Co. and its Troy subsidiary, Genesis Inc., anticipate paying an average of \$366,000 per year in property and gross proceeds taxes over the 3-1/2 to four years the mine is expected to be in operation -- half what it would pay without the incentive. The company is currently paying \$178,000 per year in property taxes on the mothballed mine.

The commissioners¹ decision followed a meeting in Troy Tuesday evening that was attended by about 30 people. Only one person, not a county resident, expressed a negative opinion on the proposal, said Commissioner John Konzen.

³The comments from the Lincoln County residents were all very positive for the tax reduction,² he said.

As provided by state law, the tax incentive will result in a 50-percent reduction for the first five years that ratchets back 10 percent at a time to a full tax bill by the 10th year.

The incentive will not affect the special metal mines tax levied on the project, which is estimated at around \$2.2 million over the life of the mine. Of that, the state will receive \$1.7 million, \$200,000 will go to the Hard Rock Trust Reserve, and the county, elementary school districts and high school districts will each receive \$111,000.

About 50 people are currently working at the mine. The company hopes to be in full production with a workforce of around 150 later this fall.

In addition to the Troy mine, Revett is moving forward with a project to open a mine in the Rock Creek drainage near Noxon. Plans are for the Rock Creek mine to open around the time work at the Troy mine is winding down, allowing employees to transfer from one project to the other.