

Revett seeks 50-percent tax break

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By Brent Shrum, Western News Reporter

Lincoln County officials are considering a request for a 50-percent tax break as an incentive to facilitate the re-opening this fall of the former Asarco copper and silver mine near Troy.

Representatives of Revett Silver Co. and its Troy subsidiary, Genesis Inc., met with the county commissioners Wednesday to discuss the request. The company is asking the county to cut property and gross proceeds taxes in half, resulting in an average annual savings to the company of around \$366,000.

³"The county and state will benefit much more than we will," said company accounting officer Wayne Schoonmaker.

While the firm initially anticipated a 2-1/2-year operational lifespan for the mine, projections now call for work to go on for 3-1/2 to four years. Reclamation work would continue for another two years.

About 30 people are currently working at the mine. The company hopes to be in full production with a workforce of around 150 as soon as early October. Previous projections had put the workforce at 250 or more.

³"I'd rather have 150 stable jobs for three and a half years than 250 for a year and a half,"² said Commissioner Rita Windom.

³"And I'd rather be in Troy, Montana than someplace else,"² Schoonmaker said.

The company currently pays about \$178,000 per year in property taxes. The county won't see any benefit if Revett/Genesis abandons the mine, Schoonmaker said, suggesting that that could happen if the tax incentive is not granted.

³"We've reached the point at the mine where we either do something or walk away,"² he said.

The commissioners voted to take the issue to a public hearing for further consideration. Due to public notice requirements, the earliest possible date for the hearing is Sept. 7, Commissioner John Konzen said.

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.