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**Contact: Bob Rapoza**

[bob@rapoza.org](mailto:bob@rapoza.org)

(202) 393-5225



## **Treasury's CDFI Fund Announces 2014 NMTC Awards**

**WASHINGTON, D.C.** – The U.S. Department of the Treasury's [CDFI Fund](#) announced the Calendar Year 2014 New Markets Tax Credit (NMTC) [allocation awards](#) today. In the announcement, CDFI Fund Director Annie Donovan noted, "The investments made possible by today's awards will have significant impact nationwide." The 12th round to date, the CDFI Fund awarded \$3.512 billion to 76 Community Development Entities (CDEs) from around the country.

"The federal New Markets Tax Credit is a unique and flexible community development tool with a successful track record, attracting investment capital and boosting economic activity in low-income areas," said Bob Rapoza, spokesman for the [NMTC Coalition](#). "In fact, the NMTC has leveraged an unprecedented level of investment to low-income communities—generating about \$70 billion in total capital investment through public-private partnerships."

Between 2003 and 2013, the federal NMTC has financed commercial and industrial facilities, daycare and health centers, charter schools and small businesses. Further adding to its impact, these investments generated hundreds of thousands of jobs in both rural and urban communities. U.S. Department of the Treasury data also indicates 75 percent of NMTC activity is in severely distressed communities with unemployment rates at least 1.5 times the national average, poverty rates of at least 30 percent, or median incomes less than 60 percent of the area median income.

The CDFI Fund indicated 263 CDEs applied for allocations for a total demand of nearly \$20 billion in credits. Only 76 applications were successful (28.9 percent), receiving \$3.512 billion—an amount that only meets a fraction of the demand.

"While the federal New Markets Tax Credit has achieved a great deal in some of the country's poorest communities, the availability of the credit is extremely insufficient," said Jose Villalobos, senior vice president of [TELACU](#) and president of the NMTC Coalition. What's more, the future of the credit is unknown, with current authorization for the credit expired."

The NMTC expired on December 31, 2014 after Congress passed a retroactive, one-year extension. Bipartisan bills to provide a permanent authorization for the NMTC have been introduced in both the House and Senate, respectively; *The New Markets Tax Credit Extension Act of 2015* (H.R. 855) and the *New Markets Tax Credit Extension Act of 2015* (S. 591).

To find out more about how the NMTC works in distressed urban neighborhoods and rural communities, watch the [new video](#) released by the by the Coalition on June 9th.

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***About New Markets Tax Credit Program***

The New Markets Tax Credit was enacted in 2000 in an effort to stimulate private investment and economic growth in low-income urban neighborhoods and rural communities that lack access to the patient capital needed to support and grow businesses, create jobs, and sustain healthy local economies. The NMTC is a 39 percent federal tax credit, taken over seven years, on investments made in economically distressed communities. Today due to NMTC, some \$70 billion is hard at work in underserved communities in all 50 states, the District of Columbia, and Puerto Rico.