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**House and Senate Members Move to Make New Markets Tax Credit Permanent**

*Bipartisan Call to Make Federal Tax Credit Permanent that Leverages Private Investment in Economically Distressed Communities, Expands Businesses and Creates Jobs*

**Washington, D.C.** –Legislation was introduced in the House and Senate to secure the future of the [New Markets Tax Credit](#) (NMTC). Congressmen Pat Tiberi (R-OH) and two colleagues on the House Ways and Means Committee, Congressmen Tom Reed (R-NY) and Richard Neal (D-MA), the Ranking Member on the committee, [introduced the House bill](#). They were joined by 19 of their colleagues. In the Senate, the bill was introduced by Senators Blunt (R-MO) and Cardin (D-MD). The bills, both titled The New Markets Tax Credit Extension Act of 2017, respectively [H.R. 1098](#) and S. 384, would ensure that rural communities and urban neighborhoods left outside the economic mainstream have access to financing to grow their economies and create jobs.

Established in 2000 in the Community Renewal Tax Relief Act (P.L.106-554), the New Markets Tax Credit is a bipartisan effort to stimulate investment and economic growth in low-income urban neighborhoods and rural communities. Congress extended the NMTC for five years as part of The PATH Act. (P.L. 114-113) in December 2015. Since the Trump Administration and Congressional leaders are working on a major tax overhaul, organizations, businesses and communities that have seen the impact of the NMTC have recently urged Congress to make the credit a permanent part of the tax code.

“Last week, some 2,000 groups sent a letter to Congress, calling for legislation that provides a permanent authorization and expansion of the NMTC. The strong support of the New Markets Tax Credit is a direct result of the tangible impact it is making in distressed rural and urban communities that have been left outside the economic mainstream,” said Bob Rapoza, spokesperson for the [NMTC Coalition](#). “The NMTC has generated over 750,000 jobs and delivered \$75 billion in total capital investment through public-private partnerships.”

[The letter to Congress](#) is signed by public and private organizations from every state, including community development organizations; nonprofit service providers; banks and credit unions; state and national trade associations and chambers of commerce, including the American Bankers Association and other groups representing thousands of members; affordable housing organizations; schools, universities and education nonprofits; city governments, state and local elected officials and agencies; and many other businesses, ranging from very large businesses to small, family-owned businesses.

U.S. Department of the Treasury data indicates more than 72 percent of NMTC activity is in severely distressed communities with unemployment rates at least 1.5 times the national average or with poverty rates of at least 30 percent. In FY 2016 alone, the CDFI Fund, which operates the program at Treasury, reported that the NMTC delivered \$3.16 billion in financing to 530 businesses, community facilities, and economic revitalization projects. Communities put the capital to work, creating nearly

11,000 permanent jobs and almost 27,000 construction jobs in areas with high unemployment and poverty.

House and Senate lawmakers have added their own perspective to the introduction of this legislation:

*“The New Markets Tax Credit has spurred investment and driven real job growth across the state of Ohio. It is an important program that helped revitalize the Over-the-Rhine neighborhood in Cincinnati, financed the Ironville Terminal in Toledo, funded a new grocery store in an underserved area of Columbus and much more. Making the NMTC a permanent part of our tax code would provide more certainty to communities across the country looking for the same proven results of unlocking economic potential based on their needs.”—Congressman Pat Tiberi (R-OH).*

*“The New Markets Tax Credit (NMTC) has generated billions in capital, driving business and jobs growth in communities that need it most. In Massachusetts, this highly successful initiative has helped spur development from the Berkshires to Boston. In Holyoke, the NMTC-financed Massachusetts Green High Performance Computing Center created 13 jobs at the center, and more than 130 research and research-related jobs at the universities.”—Congressman Richard E. Neal (D-MA).*

*“We are excited to introduce a bill that will permanently extend the New Markets Tax Credit. Making these changes to the program will provide certainty to those looking to make long-term investments in upstate New York. This is fair and necessary legislation that will help spur economic growth and job creation in communities across the country.” – Congressman Tom Reed (R-NY).*

*“The New Markets Tax Credit Program has a proven track record of spurring investment, expanding opportunity, and improving the quality of life in communities that need it most,” Blunt said. “In Missouri, the NMTC has benefited a total of 177 businesses and economic revitalization projects, creating thousands of jobs and resulting in a total of \$3 billion in new investments. The NMTC provides a critical incentive for drawing much-needed capital to low-income rural and urban areas, and I look forward to working with my colleagues to ensure it continues.”—Senator Roy Blunt (R-MO).*

*“In Maryland, the New Markets Tax Credit has been deployed across our state on a diverse range of infrastructure and community development efforts, from a supermarket project to provide greater access to healthy food in my home city of Baltimore, to a conservation center on the Eastern Shore,” Cardin said. “I am pleased once again to be a supporter of this bipartisan legislation, which will create jobs and stimulate our economy in communities across Maryland and across America.”—Senator Ben Cardin (D-MD).*

“As a result of the credit’s proven ability to create jobs and move the economic needle in the rural and urban areas where it’s been invested, the New Markets Tax Credit has the support of a strongly bipartisan delegation in Congress,” said Robert W. Davenport, President of the NMTC Coalition and President Emeritus of [National Development Council](#). “We hope their colleagues will follow suit and support the NMTC Extension bills, which will help create thousands of jobs and grow business opportunities in our communities that need it the most.”

For examples of how the NMTC is making an impact in each state, see the NMTC Coalition’s [NMTC at Work in Communities](#) report or check out its [Project Profile Map](#).

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