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Senator Visits NMTC Financed Kansas Children’s Education and Health Center

Senator Pat Roberts visits Children’s Campus of Kansas City, which received New Markets Tax Credits for this facility serving at-risk children

Kansas City, Kansas (August 8, 2016) — Today, Senator Pat Roberts (R-KS) visited the Children’s Campus of Kansas City, a New Markets Tax Credit (NMTC) financed community facility serving the health and educational needs of low income children. Sen. Roberts is a senior member of the Finance Committee, which is tasked with overseeing and proposing tax policy.

The facility, which houses three nonprofit organizations, serves some 150 preschoolers and created more than 200 jobs in an area with high rates of poverty and unemployment. The NMTC allocation for the project was provided by Local Initiatives Support Corporation (LISC), a national nonprofit dedicated to supporting community revitalization projects. Matt Josephs, LISC senior vice president and an Executive Committee and Board Member of the NMTC Coalition, joined Sen. Roberts on his tour of the Children’s Campus of Kansas City.

“The Children’s Campus of Kansas City is illustrative of how NMTCs can be used to deliver private sector investments into distressed neighborhoods, helping to not only provide critical services to community residents, but also to revitalize the neighborhoods and fuel further growth,” said Josephs in a press statement.

Department of Treasury data shows the credit has generated over \$75 billion in investments to low income communities nationwide, resulting in the creation or retention of more than 750,000 jobs, since its first projects were realized in 2003. The NMTC works by providing private sector investors with a modest tax incentive of 39 percent, taken over a seven-year period. The investments must be made in low income census tracts.

“More than 72 percent of all NMTC investments have been made in communities exhibiting severe economic distress, including unemployment rates more than 1.5 times the national average, a poverty rate of 30 percent or more, or a median income at or below 60 percent of the area median,” said Bob Rapoza, spokesperson for the NMTC Coalition.

In December 2015, the Protecting Americans from Tax Hikes Act (PATH Act) passed Congress and was signed into law, providing a five-year extension of the NMTC. There are also bills in the Senate and

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House to make the credit a permanent part of the U.S. tax code. The NMTC bill is led in the Senate by Sen. Roy Blunt (R-MO) and Rep. Pat Tiberi (R-OH) is the bill lead in the House.

“With tax reform efforts being discussed by congressional leaders and the topic serving as a focal point for presidential candidates, it is likely there will be a tax measure introduced as early as 2017,” Rapoza notes. “NMTC supporters are making the case to legislators by demonstrating that the credit is an indispensable tool for distressed communities and an important part of the equation for pro-growth tax legislation.”

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, more than \$75 billion is hard at work in underserved communities in all 50 states, the District of Columbia, and Puerto Rico. For more information, visit www.NMTCCoalition.org.