

The New Markets Tax Credit (NMTC) in Action

According to a Government Accountability Office (GAO) report, 88% of the NMTC investors surveyed indicated they would not have invested without the incentive of the NMTC. Almost 66% of the investors reported an increase in their investment activity in low income communities as a result of the NMTC.

8:1

return on investment for the federal government

In 2011, \$5.7 billion in private investments were in low income communities because of the NMTC - the most investments generated in a single year since the NMTC was authorized. Between 2009 and 2011, NMTC investments increased by a remarkable 67%

92,000,000

sq.ft. of manufacturing, retail and public spaces in low-income communities

300,000
JOBS created or retained through 2010

\$21
BILLION in NMTC capital leveraged an additional

\$24
BILLION in financing from other sources for a total of

72% of NMTC investments in 2010 were made in census tracts experiencing severe economic distress

\$45
BILLION in investments in businesses in urban and rural communities.

100% of all NMTC investments were made in low income communities with poverty rates of at least 20% or median incomes below 80% of the area median

60% of NMTC investments in 2010 were made in communities with unemployment rates at least 1.5 times the national average

The NMTC expired at the end of 2011. If Congress does not extend the NMTC immediately, financing will be exhausted by the end of 2012.

**New Markets Tax Credit
Coalition**

"We...need to encourage investment in our communities, some of which were struggling even before the most recent economic downturn. The New Markets Tax Credit is designed to stimulate investment and economic growth in low-income, under-served communities that are often overlooked by conventional capital markets...I am pleased to be an original sponsor, along with Chairman Tiberi [R-OH], Congressman Neal [D-MA] and Congressman John Lewis [D-GA], of H.R. 2655 - the proposed New Markets Tax Credit Extension Act. This bill would extend the credit through 2016 at a level of \$5 billion per year in credit authority." - Congressman Jim Gerlach (R-PA) before the House Select Revenue Subcommittee on April 26, 2012.

For more information on the New Markets Tax Credit Extension Act introduced by Representatives Gerlach and Neal, visit: www.nmtccoalition.org