

United States Senate

WASHINGTON, DC 20510

March 1, 2019

Support Investment in Economically Distressed Rural and Urban Communities

Dear Colleague:

We invite you to join us in supporting the permanent extension and expansion of the New Markets Tax Credit (NMTC) program by co-sponsoring the New Markets Tax Credit Extension Act of 2019. The NMTC was extended for five years by the PATH Act of 2015, and it expires on December 31, 2019.

In addition to making the NMTC a permanent part of the Internal Revenue Code, the NMTC Extension Act of 2019 would increase the annual NMTC allocation, index the allocation to inflation in future years and exempt NMTC investments from the Alternative Minimum Tax.

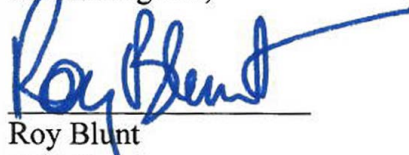
The NMTC was established in 2000 and attracts capital to low-income communities by providing private investors with a 39 percent credit against federal income taxes for investments made in community and economic development projects. Since its authorization, over \$40 billion in direct NMTC investment has created about 1,000,000 jobs. These NMTC investments leveraged more than \$90 billion in capital from other sources for businesses, healthcare centers, manufacturing expansions, and revitalization projects in communities with high poverty and unemployment rates. The NMTC does not target a specific type of business or sector, and decision making on NMTC projects is at the local level, not in Washington.

We have seen the NMTC at work in both Missouri and Maryland. In Missouri, the NMTC has helped finance the first new grocery store in Pagedale in 40 years, expand and improve the operation of a number of rural manufacturing businesses, and fill the funding gap for the construction of 65 home ownership units in a St. Louis neighborhood with very high unemployment. In Maryland, the NMTC has expanded access to job opportunities and community services in Baltimore by financing education hubs, a life science center, healthcare clinics, and manufacturing businesses.


Throughout its nearly two decade existence, the NMTC has enjoyed bipartisan support and has become an essential tool for revitalizing rural and urban communities across the country.

We hope you will join us in extending and expanding this important program. If you have any questions or would like to co-sponsor this bill, please contact Stefanie Dearie (Stefanie_dearie@blunt.senate.gov) with Senator Blunt or Rohan Shetty (Rohan_shetty@cardin.senate.gov) with Senator Cardin.

Sincere regards,



Roy Blunt
U.S. Senator



Benjamin L. Cardin
U.S. Senator