



August 25, 2021

The Honorable Senator Ron Wyden  
Chairman  
Committee on Finance  
United States Senate  
Washington, DC 20510

The Honorable Senator Mike Crapo  
Ranking Member  
Committee on Finance  
United States Senate  
Washington, DC 20510

Chairman Wyden & Ranking Member Crapo:

Thank you for your past support of the New Markets Tax Credit (NMTC). As you work to bring together competing national priorities within the budget reconciliation process, the NMTC Coalition urges committee members to commit to supporting the following statutory provisions within the program moving forward:

1. Make the NMTC permanent along the lines of H.R.1321/S.456, the *NMTC Extension Act of 2021*: \$5 billion in annual allocation, indexed for inflation in future years, and an exception from the Alternative Minimum Tax (AMT) for NMTC investments.
2. Provide a 5 percent set-aside for CDEs owned or controlled by people of color and authority for \$3 million to the CDFI Fund for technical assistance grants and training to boost capacity. These initiatives would provide an on-ramp for minority-controlled CDEs by helping them build a track record of lending and investing.
3. Enact the *Rural Jobs Act* (H.R.3357/S.1617): The legislation would increase NMTC allocation by \$500 million in both 2022 and 2023 and direct it to rural, low-income communities with fewer than 50,000 residents. Twenty-five percent of the allocation would be set-aside for persistent poverty counties and high out-migration counties.
4. Amend the statute to ensure tribes and Native populations receive a proportional share of NMTC investments based on their share of poverty. This provision would target at least 5 percent of NMTC allocation for investments in Indian Country. H.R.2, the *Moving Forward Act* passed by the House in 2020, included similar provisions.
5. Support provisions in the *New Markets Tax Credit Stabilization Act* (H.R.8965) that phase in additional allocation to promote the economic recovery, facilitate loan modifications and stabilize the NMTC investor market through liquidity provisions.

The Coalition's [2021 NMTC Progress Report](#) found that over the past year, \$2.9 billion in NMTC financing leveraged a total of \$5.5 billion in capital investments across America. Eighty-five percent of this activity was in the most economically distressed small towns and farming communities and urban neighborhoods in America, which led to the creation of 45,090 total jobs including 28,322 permanent full-time-equivalent jobs and 16,768 construction jobs. In short, NMTC is doing precisely what Congress intended: leveraging private sector capital to revitalize rural and urban communities left out of the economic mainstream.

Thank you for considering our suggestions to make the program run even more effectively and continue its successful track record of bipartisan support.



Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Rapoza".

Robert A. Rapoza

cc: Members of the Senate Finance Committee