

**FOR IMMEDIATE RELEASE**

**September 17, 2013**

# New Markets Tax Credit Coalition

**Contact: Bob Rapoza**

[bob@rapoza.org](mailto:bob@rapoza.org)

(202) 393-5225

## Thousands Call On Congress to Keep New Markets Tax Credit

**Washington, D.C.** – Over 1,200 businesses, investors, nonprofit organizations and community leaders sent a letter to Capitol Hill today urging Congress to extend and strengthen the [New Markets Tax Credit](#) (NMTC), which increases the flow of capital to businesses and development projects in low income communities across America by providing a modest tax incentive to private investors.

“The NMTC has leveraged billions of dollars in private investments in business expansions and community revitalization projects that would have not gone forward otherwise,” said Bob Rapoza, a spokesperson for the [New Markets Tax Credit Coalition](#). “In fact, a survey conducted by the U.S. Government Accountability Office found that 88 percent of NMTC investors would not have made their investments if not for this incentive.”

The critical need for the NMTC is underscored by trends in federal investment. Overall, federal community development spending, measured as a share of Gross Domestic Product (GDP), has fallen by 75 percent over the last 30 years. With federal resources continuing to dwindle, it provides an efficient avenue for helping economically distressed communities attract capital.

“One of the unique attributes of the NMTC is its flexibility; the Credit empowers local leaders to choose projects that provide a broad community benefit in terms of job creation or added services,” said José Villalobos, President of the NMTC Coalition and Senior Vice President of TELACU.

Investors made over \$27 billion in direct NMTC investments from 2003 to 2011 to businesses in communities hit hard by the economic downturn, leveraging \$55 billion in financing for those businesses. Over 72 percent of all NMTC investments have been in communities exhibiting *severe* economic distress, including unemployment rates more than 1.5 times the national average, poverty rates of 30 percent or more and/or median incomes at or below 60 percent of the area median.

“The Chairmen of the Senate Finance Committee and House Ways and Means Committee continue to talk about the importance of addressing tax reform this fall. We want to make sure that they—and their colleagues—understand the NMTC is a program that works, creating jobs and sustaining local economies,” Villalobos said. “That’s why over a thousand businesses, local-elected officials and organizations are urging Congress to make this investment in America’s rural and urban communities by increasing credit authority and providing a permanent extension for the NMTC.”