

## Paul Anderson

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**Sent:** Friday, February 01, 2013 2:38 PM  
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**Subject:** board meeting and other matters  
**Attachments:** Memo February 1 2013.doc  
**Importance:** High

TO: New Markets Tax Credit Coalition Board

FORM: Jose Villalobos and Bob Rapoza

RE: Several

DATE: February 1, 2013

Board Meeting and Membership

It does not look like we will have a quorum for the proposed meeting on February 26<sup>th</sup>. As you know, the bylaws require a two-thirds vote to amend the bylaws and based on responses thus far, we will not have that. There will not be a board meeting on February 26<sup>th</sup>. We are looking at dates early in March and will get back to you soon.

As you know, with the exception of the two members elected by the membership, the board for 2012 remains in place for immediate future pending a board meeting on bylaws, the 2013 budget and election of the paying directors. A few of you have indicated that you may not continue as a paying director in 2013. We acknowledge that some board members may wish to make their decision after the board votes on the bylaws and budget, both of which are under revision. However, for those who have already made a determination, please let us know as soon as possible so we can plan accordingly.

### Legislative Strategy

Many of you participated in a call the Coalition sponsored a call with various industry interests on NMTC extension legislation for this new Congress. After some discussion about the legislative options package we prepared for the board, there was a question about pursuing a two bill strategy. Under this scenario, the Coalition would support a bill that would include a permanent authorization, a higher level of credit authority and an AMT exemption for New Markets Tax Credit investments. This bill, ('flagship bill') would be a focal point for organizing support throughout the 113<sup>th</sup> Congress, as well as with other interests and the media.

A second bill carrying technical improvements would be introduced separately and could include such provisions as a change in the basis, small business fixes related to the reasonable expectation test, modifications to recapture, a change in metro language, among others. The principal focal point of this bill would be the Members of Ways & Means and Finance Committees.

There appears to be agreement on the elements of flagship bill and this approach would allow us to go forward in the near future with introduction in both Houses with a bipartisan group of original cosponsors. Soon thereafter we would work on introduction of the technical bill. If we do take this approach our plan would be to work with the sponsors of the flagship bills – Reps. Gerlach and Neal in the House and Senator Rockefeller and a Republican Senator as well as others – to sponsor the technical bill as well.

In working with the Administration, we have already been in contact and our ongoing discussions could include both legislative proposals.

While this approach may be a change in format it does not change our intention to have a unified position on legislation. If the Coalition does indeed take the two bill route then both those bills should represent a consensus within the industry. As we saw last year, having alternative legislative initiatives caused confusion in working with Congress and sowed the seeds of discord within the industry.

Please let us know if you have any questions or comments on this approach.

Thank you for your attention to this matter.

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