



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

FOR IMMEDIATE RELEASE December 18, 2007

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6TH ROUND OF NEW MARKETS TAX CREDIT COMPETITION KICKS OFF; CREDITS AVAILABLE FOR \$3.5 BILLION IN INVESTMENTS TO HELP LOW-INCOME COMMUNITIES

WASHINGTON - The U.S. Department of the Treasury announced today the opening of the sixth round of competition for tax credits on \$3.5 billion of equity investments under the New Markets Tax Credit (NMTC) Program. The NMTC Program attracts private-sector capital investment into the nation's urban and rural low-income areas to help finance community development projects, stimulate economic growth and create jobs.

“I am very impressed with how this program is making significant impact in low-income communities across the nation,” said CDFI Fund Director Donna Gambrell. “Capital is being raised and invested into projects many thought of as just a dream – from critically needed community facilities and charter schools to grocery stores and other businesses.”

To date, the organizations awarded tax credits on \$12.1 billion in equity investments in the first four rounds have already raised \$8.84 billion in equity from investors. Through fiscal year 2006, these allocatees reported deploying a total of \$5.45 billion in qualified loans and investments in low-income communities across the nation. Since the program's inception, these allocatees have reported:

- Developing or rehabilitating over 46 million square feet of commercial real estate;
- Creating 146,000 full-time construction jobs;
- Creating or maintaining 20,000 full-time jobs through loans or investments supporting businesses operating in low-income communities; and
- Providing Financial Counseling and other related services to 1,200 businesses.

This year's NMTC allocation round will include an emphasis on placing investments in underserved rural communities. The allocation application deadline is March 5, 2008.

To Learn More

Guidance and application materials on the sixth round of the NMTC Program are available on the New Markets Tax Credit Program webpage of the CDFI Fund's website at www.cdfifund.gov.

The CDFI Fund will be conducting six Application Workshops on the NMTC Program around the country in January 2008. The purpose of these workshops is to describe how the NMTC Program works, including how to apply for certification as a CDE and how to apply for an allocation of NMTCs in the upcoming round.

The Application Workshops will be held in the cities listed below. To learn more detailed information about these workshops or to register, please visit the CDFI Fund's website at www.cdfifund.gov.

Charleston, WV	January 15, 2008
Detroit, MI	January 7, 2008
Miami, FL	January 18, 2008
Oklahoma City, OK	January 9, 2008
Portland, OR	January 8, 2008
Sioux Falls, SD	January 10, 2008

Background on NMTC Program

The NMTC Program, established by Congress in December of 2000, permits individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in investment vehicles known as Community Development Entities (CDEs). The credit provided to the investor totals 39 percent of the cost of the equity investment and is claimed over a seven-year period. Substantially all of the taxpayer's investment must in turn be used by the CDE to make qualified investments in low-income communities. Successful applicants are selected only after a competitive application and rigorous review process that is administered by Treasury's Community Development Financial Institutions (CDFI) Fund.