Subsidiary-CDE Dissolution and Dis-enjoinment in AMIS

February 2022
General Information about Sub-CDE Dissolution

The CDFI Fund allows Allocatees to automatically report and process the dissolution of an enjoined Subsidiary-Community Development Entity (Sub-CDE) at any time provided the following conditions are met for the Sub-CDE:

- All QEIs associated with the Sub-CDE are beyond their 7-year tax credit compliance period.
- The Compliance Status of the Allocation Agreement(s) to which the Sub-CDE is enjoined is Compliant.

When a Sub-CDE is dissolved or deemed inactive, AMIS updates the Sub-CDE’s CDE Certification Status to “Inactive”. Once the user completes the Sub-CDE dissolution steps, the dissolution will take effect immediately and AMIS will prevent the Sub-CDE from being used going forward. An email will be generated acknowledging the removal of the Sub-CDE from any applicable Allocation Agreement. If a Sub-CDE is enjoined to multiple Allocations, it will be removed from all active Allocation Agreements.

Steps to Process Sub-CDE Dissolution

1. Upon Logging into AMIS, navigate to the Allocation tab.

2. Select “All” from the dropdown to display all associated Allocations.

3. Locate the NMTC Program Control Number to which the Sub CDE is associated and then click on the AMIS Number hyperlink.
4. On the Allocation page, click on the Inactive Sub CDE from the dropdown.

5. Select which Sub-CDE(s) to be dissolved by marking the corresponding checkbox(es). After selecting the Sub-CDE(s) to be dissolved, click on the “Process Selected” button.
6. Select a reason from the Inactive Reasons picklist, enter the Inactive Date and then click on the “Inactive” button.

NOTE: If ‘Inactive Reason’ equals “Other”, then a text box will appear labeled Additional Reasons. The user is required to enter information in order to proceed.

7. Upon clicking the “Inactive” button, a certification statement will appear. After reading, click on the “OK” button to agree with the statement and to proceed.
8. If the Sub-CDEs selected to be dissolved meet the required conditions, then the following message will appear:

This message indicates successful dissolution and the Sub CDE’s CDE Certification Status is now “Inactive”.
Conversely, if the Sub CDE did not meet the required conditions the following error message will appear:

9. Once a Sub-CDE is reported as inactive, the Sub-CDE section on the Allocation Page will be updated with the check mark in the “Inactive” column for the reported inactive Sub-CDE.

10. Once a Sub-CDE is successfully reported as inactive, AMIS will generate an email to the Allocatee’s Authorized Representative that formally acknowledges the Sub-CDE dis-enjoinment from any applicable Allocation Agreement.
Date

Allocatee Name
Address 1
Address 2
City State ZIP

R.E. Sub-CDE Name (Certification Control Number)

Dear Allocatee:

In accordance with the Allocation Agreement(s) (the “Agreement(s)”) indicated below between the Community Development Financial Institutions Fund (the CDFI Fund), Allocatee Name (the Allocatee) and its Subsidiary Allocatee(s); the CDFI Fund hereby acknowledges that the Subsidiary Allocatee indicated below has ceased NMTC operations, and in accordance with section 9.11 of the Agreement(s), the CDFI Fund hereby amends section 3.2(c) of the Agreement(s) removing the Subsidiary Allocatee listed below as of the date of this communication:

<table>
<thead>
<tr>
<th>Allocatee Name</th>
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<tbody>
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<td>Allocation Control Number</td>
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Pursuant to the provisions of Section 9.13 of the Agreement(s), the Allocatee shall continue to comply with the provisions of the Agreement(s) and all ongoing compliance, reporting and record retention requirements for itself and on the behalf of all of its Subsidiary Allocatee(s), including the removed Subsidiary Allocatee(s), for the remaining duration of the Agreement(s).

Except as expressly amended hereby, the Agreement(s) shall remain in full force and effect in accordance with its terms. Please note that this letter in no way ensures or verifies that the

Allocatee or removed Subsidiary Allocatee(s), or any remaining enjoined Subsidiary Allocatee(s) have complied with the New Markets Tax Credit provisions of the Internal Revenue Code or related IRS regulations. This letter shall not, in any manner, waive or supersede any rights, powers, or remedies available to the Department of the Treasury or the Internal Revenue Service pursuant to the Act, the Internal Revenue Code or any other applicable law or regulation. Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Allocation Agreement.

By submitting the notice, the Allocatee is also certifying it is executing this dis-enjoinment on behalf of itself and with the approval of any remaining Sub-Allocatee(s).

Regards,
If you are experiencing difficulties with the data entry portion of your report, including document errors, system errors, and basic questions, please contact:

   AMIS Help Desk  
   (202) 653-0422  
   AMIS@cdfi.treas.gov

For any questions regarding the rationale for the various data points, please contact the Certification, Compliance Monitoring and Evaluation (CCME) unit directly:

   CCME Help Desk  
   (202-653-0423)  
   ccme@cdfi.treas.gov