

-----Original Message-----

From: Farshad.Maltes@wheda.com [mailto:Farshad.Maltes@wheda.com]  
Sent: Monday, July 02, 2001 10:09 AM  
To: cdfihelp@cdfi.treas.gov  
Subject: Comments on New Markets Tax Credit  
To: Acting Director  
Community Development Financial Institutions Fund  
U.S. Department of the Treasury

The Wisconsin Housing and Economic Development Authority (WHEDA) would like to suggest that the CDFI consider two proposals concerning the distribution of the New Markets Tax Credit:

First: Allow government affiliated organizations to be community development entities (CDEs).

This will allow us to serve areas without CDEs in them or without existing CDEs interested in investing in them-which is very likely in the most distressed areas. Quasi-public entities like WHEDA also have the technical expertise and institutional capacity to administer allocation of the new markets tax credit. The positive experience with the Low Income Housing Tax Credit supports allowing public entities to receive the New Markets Tax Credit. Our experience and expertise is unlikely to be matched by most private CDEs.

Second: Allow combining of the New Markets Tax Credit with the Low Income Housing Tax Credit for assisted living facilities. In Wisconsin, this would greatly increase the feasibility of assisted living facilities targeted at low income consumers. Without access to both tax credits, not much can be done to increase assisted living projects targeted at low income communities. The two tax credits combined, however, provide an important resource for providing financially viable assisted living facilities for low income elderly. For this reason, WHEDA suggests that CDFI allow the use of these two tax credits for assisted living investments that meet the LMI designation.

Hopefully, the CDFI will consider these issues when it completes the administrative rules for the New Markets Tax Credit.

Sincerely,

Farshad Maltes  
Research Analyst  
Wisconsin Housing and Economic Development Authority  
Phone: (608) 267-4543  
Cell Phone: (608) 213-7757  
Fax Number: (608) 267-1099  
E-mail: Farshad.Maltes@WHEDA.Com