

Florida Congressional Delegation Briefing: New Markets Tax Credit Dear Colleague Letter



FLORIDA COMMUNITY
LOAN FUND

OCTOBER 9, 2013

CONTACT: JOY BEATON, DIRECTOR OF GOVERNMENT RELATIONS, FLORIDA COMMUNITY LOAN FUND

DEADLINE FOR SIGN-ON: OCTOBER 25, 2013

The Florida Community Loan Fund is forwarding a Dear Colleague Letter, by both pdf attachment and electronic link, to request that members of the Florida delegation support an indefinite extension and an increased authority for the New Markets Tax Credit (NMTC).

[This letter](#) is being put forward by Representatives Stivers (R-OH) and Michaud (D-ME) and is addressed to leadership of the House Ways and Means Committee. Contacts are:

Justin Barnes Justin.Barnes@mail.house.gov
in Representative Stiver's Office

Nora Todd Nora.Todd@mail.house.gov
in Representative Michaud's Office

Please consider signing on to show
your support by October 9, 2013

Quick links...

[Introduction](#) to Colleague Sign-On Letter

NMTC [Colleague Sign-On Letter](#)

Contact in Rep. Stiver's Office:

Justin.Barnes@mail.house.gov

Contact in Rep. Michaud's Office

Nora.Todd@mail.house.gov

Contact at Florida Community Loan Fund

JBeaton@fclf.org

NMTC, as we know it in Florida, is currently scheduled to expire on December 31, 2013.

FLORIDA IMPACT & ADDITIONAL CONTACTS

To date the Federal NMTC Program has delivered a total of over \$578 million in NMTC credits to Florida and generated \$1.4 billion in private investment capital to create new businesses, community facilities, and jobs throughout Florida.

These NMTC job generating projects are located in 22 counties in 18 congressional districts.

Our last briefing to the Florida Delegation in July 2013 provided detailed data on the impact of the credit in Florida and general background on the New Markets Tax Credit (NMTC) Program of the U.S. Department of Treasury, CDFI Fund.

For specific technical information regarding the NMTC credit in Florida please contact the Florida Community Loan Fund. Or you may contact Ryan Canfield, Senior Legislative Assistant, in Congressman Mario Diaz-Balart's Office at 202.225.4211 who has agreed to field Florida member questions regarding the NMTC Program.

FORBES ON THE "CURE-ALL" FOR DISINVESTED COMMUNITIES

Read the Forbes Article of September 18, 2013, [here](#).

If there's a cure-all for bringing down-and-out communities out of the dumps shouldn't it be a permanent part of the tax code? That's the argument of more than 1,200 banks, charities and businesses, led by the New Markets Tax Credit Coalition, in a September letter sent to Congress calling for a permanent credit.

The New Markets Tax Credit leverages private sector capital for investment in poor communities with high unemployment to help build commercial and industrial facilities, charter schools, day care centers, and supermarkets. Part of the reason the credit is so important is that federal spending on community development through the Department of Housing & Urban Development, the Department of Agriculture and the Department of Commerce has been cut by 75% as a share of GDP from 1980 to 2010, so for lots of communities this credit is the way they finance the kinds of projects that used to be funded on the spending side, says Bob Rapoza, a spokesperson for the Coalition. With the credit, you get private sector support from the likes of U.S. Bancorp., J.P. Morgan Chase, and SunTrust Banks for these projects.

MAKE THE CREDIT A TAX REFORM PRIORITY

The Florida Community Loan Fund urges members to make NMTC a priority under the “blank slate” new tax reform measures being considered by the House Ways and Means Committee Chairman Dave Camp (R-MI).

FLORIDA COMMUNITY LOAN FUND (FCLF)

For more information or to discuss your concerns, please contact Joy Beaton, FCLF Director of Government Relations at jbeaton@fclf.org or Nelson Black, FCLF Director of Lending and NMTC at nblack@fclf.org, or by calling our offices at 407.246.0846.

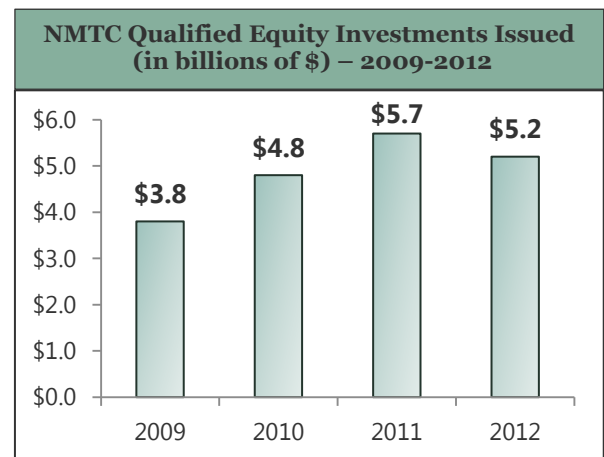
For those of you with whom we have met previously, we hope this information is helpful in your deliberations and ability to help ensure that NMTC becomes a permanent tax credit tool for continued use in Florida.

Note, as well, that the federal NMTC credit has been mirrored by Florida State Government in its establishment of the Florida NMTC State Program administered by the Department of Economic Opportunity. In May 2013, the State Legislature once again reauthorized the Florida NMTC program to parallel federal NMTC credits, making Florida an even more attractive environment for investors.

THE NATIONAL TRACK RECORD:

- **NMTC is a proven incentive for spurring private sector investment in low income communities.** The Credit delivered over \$55 billion in capital to economically distressed communities between 2003 and 2011, directly creating over 350,000 jobs.
- **NMTC speaks for itself.** NMTC investments in businesses in low income communities and the jobs created by those businesses generated over \$5.4 billion in federal tax revenue between 2003 and 2010, covering the \$5.3 billion cost of the program over the same period.
- **NMTC is a unique and flexible incentive.** The NMTC is the only incentive that provides both the flexibility to finance a variety of businesses and community development projects in low income communities through an effective and established system for delivering and leveraging financing. The NMTC does not target a specific type of business or sector. Instead of Washington picking winners and losers, the NMTC places the project underwriting responsibility with community based entities with deep ties to the communities in which they work.

(Source: NMTC Coalition, June 2013)



Source: Rapoza and Associates, 2013

