

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Awards \$1.5 Billion through Recovery Act to Encourage Private Sector Investments in Communities around the Country

5/27/2009

To view or print the PDF content on this page, download the free [Adobe® Acrobat® Reader®](#).

TG-148

Awards Announced Under New Markets Tax Credit Program

BOSTON—Just 100 days since the President signed into law the American Recovery and Reinvestment Act (Recovery Act), Treasury Secretary Tim Geithner today announced \$1.5 billion in New Markets Tax Credit (NMTC) awards for 32 organizations throughout the country. With resources made possible through the Recovery Act, the NMTC Program injects private-sector capital investment into communities around the country to create jobs, stimulate economic growth, and jumpstart the lending necessary for financial stability. The awardees announced today are planning investments in renewable energy projects, charter schools, health care facilities, manufacturing companies and retail centers.

"The Recovery Act was a crucial step toward restoring economic growth, getting Americans back to work, and strengthening our nation's financial stability" said Secretary Geithner. "Many communities have been left with a shortfall of financial support and are unable to pursue desperately needed projects, leaving residents to fall even further behind. The New Markets Tax Credit program helps break that cycle by providing an incentive to invest in communities to break ground on new projects, create jobs, and offer much needed services."

The 32 organizations receiving awards have identified principal service areas covering 33 states, the District of Columbia, and Puerto Rico. The NMTC Program, established by Congress in December 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 investment and is claimed over a seven-year period. A majority of the taxpayer's investment must in turn be used by the CDE to make qualified investments in low-income communities.

Secretary Geithner's announcement was made today at Project Hope, a New Markets Tax Credit award recipient in Boston, MA. Secretary Geithner was joined by Massachusetts Governor Duval Patrick and Community Development Financial Institutions (CDFI) Fund Director Donna Gambrell. A division of the Department of Treasury, the CDFI Fund, administers the NMTC program.

"We are here today at Project Hope because it's a shining example of how the New Markets Tax Credit can be utilized to transform communities and improve the quality of life for the local residents," said CDFI Fund Director Donna J. Gambrell. "Through \$4.8 million in New Markets Tax Credit financing, the center we are gathered at today is providing expanded adult education, job placement and career development services and is also Roxbury's first certified green building."

To date, close to \$12 billion of private-sector capital has been invested through the NMTC Program into urban and rural communities throughout the country. Data reported through 2007 shows that \$9 billion dollars of NMTC capital has been invested into approximately 2,000 businesses and real estate developments - helping to develop or rehabilitate over 68 million square feet of real estate, create 210,000 construction jobs, and create or maintain 45,000 full time equivalent jobs at businesses in low-income communities.

A complete list of the 32 organizations selected and additional information on the NMTC Program can be found on the CDFI Fund's web site at: www.cdfifund.gov

REPORTS

- [New Markets Tax Credits 2008 Round Applicants](#) 

