

Treasury Announces \$5 Billion in New Markets Tax Credit Awards to Revitalize Low-Income and Distressed Communities

October 28, 2022

Awards will Spur Investment and Economic Growth in Urban and Rural Communities Nationwide

BALTIMORE, MD – Treasurer of the United States Chief Lynn Malerba, joined by U.S. Senators Benjamin L. Cardin and Chris Van Hollen, U.S. Representative Kweisi Mfume, and Community Development Financial Institutions Fund (CDFI Fund) Director Jodie Harris, today announced more than \$5 billion in New Markets Tax Credit (NMTC) awards nationwide. Speaking at the recently redeveloped Lexington Market, Treasurer Chief Malerba announced the selection of 107 organizations across the country to receive NMTC allocation awards, made through the calendar year (CY) 2021 round of the NMTC Program.

“Twenty years ago, the Treasury Department announced the first New Markets Tax Credit awards, and for many economic development projects across the country since then, the New Markets Tax Credit has been a vitally important piece of the puzzle,” Treasurer Chief Malerba, said. “This program has created or retained hundreds of thousands of jobs and spurred economic growth in many low-income communities across our country. It is important that Congress sustain these investments over time by making the New Markets Tax Credit Program permanent.”

Treasury’s announcement was made today at the new Lexington Market building, home to the longest continuously operating public market in the nation, located in the heart of Baltimore City. Previous NMTC awards were used to finance the \$45 million dollar transformation that has resulted in the construction of the new public market building and a block-long public plaza.

“Lexington Market demonstrates what can be accomplished when projects in low-income communities can access needed financing for initiatives that will help revitalize them,” said Director Harris. “We often associate the New Markets Tax Credit with new buildings, but just as frequently, the tax credit allows for a new use of an existing property. The Lexington Market




project will breathe new life into this neighborhood by making fresh food available to residents, build local businesses and wealth, and provide a community gathering place.”

The 107 Community Development Entities receiving awards today were selected from a pool of 199 applicants that requested an aggregate total of \$14.7 billion in tax credit allocation authority. The award recipients are headquartered in 35 different states and the District of Columbia. Over 20% of the investments will be made in rural communities. It is estimated that these award recipients will make nearly \$1 billion in New Markets Tax Credit investments in non-metropolitan counties.

Today’s announcement brings the total amount awarded through the NMTC Program to more than \$71 billion. Historically, NMTC Program awards have generated \$8 of private investment for every \$1 invested by the federal government. Through the end of fiscal year 2021, NMTC Program award recipients deployed more than \$62.9 billion in investments in low-income communities and businesses; with impacts such as the creation or retention of more than 857,000 jobs, and the construction or rehabilitation of nearly 239 million square feet of commercial real estate.

2021 NMTC Program Award Resources

- [Award Book: The list of awards, along with other facts and statistics about these awards](#) 
- [Review Process: Learn how the CDFI Fund evaluates Allocation Applications](#)

About the New Markets Tax Credit Program

The New Markets Tax Credit Program, established by Congress in December 2000, permits individual and corporate taxpayers to receive a non-refundable tax credit against federal income taxes for making equity investments in financial intermediaries known as Community Development Entities (CDEs). CDEs that receive the tax credit allocation authority under the program are domestic corporations or partnerships that provide loans, investments, or financial counseling in low-income urban and rural communities. The tax credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year period. The CDEs in turn use the capital raised to make investments in low-income communities. CDEs must apply annually to the CDFI Fund to compete for New Markets Tax Credit Program allocation authority. Since the inception of the NMTC Program, the CDFI Fund has completed 18 allocation rounds and has made 1,461 awards totaling \$71 billion in tax allocation authority. This includes \$3 billion in Recovery Act Awards and \$1 billion of special allocation authority used for the recovery and redevelopment of the Gulf Opportunity Zone.



To learn more about the New Markets Tax Credit Program, please visit www.cdfifund.gov/nmtc.

About the CDFI Fund

Since its creation in 1994, the CDFI Fund has awarded more than \$5.5 billion to CDFIs, community development organizations, and financial institutions through the Bank Enterprise Award Program; the Capital Magnet Fund; the CDFI Rapid Response Program; the Community Development Financial Institutions Program, including the Healthy Food Financing Initiative; the Economic Mobility Corps; the Financial Education and Counseling Pilot Program; the Native American CDFI Assistance Program; and the Small Dollar Loan Program. In addition, the CDFI Fund has allocated more than \$71 billion in tax credit allocation authority to Community Development Entities through the New Markets Tax Credit Program, and guaranteed bonds for over \$2.1 billion through the CDFI Bond Guarantee Program.

To learn more about the CDFI Fund and its programs, please visit the CDFI Fund's website at www.cdfifund.gov.

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