

New Markets Tax Credit Administration Priority Despite Current Economic Climate

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The New Markets Tax Credit remains a priority for the Obama administration, said Brandon Carlton, Office of the Tax Legislative Council with the U.S. Treasury Department's Office of Tax Policy, on June 9.

The current economic climate is particularly challenging for the credit environment and distressed communities, Carlton said. "So the credit, from the Administration's standpoint, is a vital tool in making sure that underserved areas are still given credit opportunity, and there are certain job expansion opportunities through the New Markets Tax Credit."

Carlton touted the importance of the NMTC at the Spring New Markets Tax Credit Conference in Washington, D.C. The conference, sponsored by Novogradac & Company, came six days after the Internal Revenue Service posted proposed rules and a request for comment in the Federal Register regarding potential changes to the NMTC.

Carlton stressed the need for comments from the people on the ground, the "cool kids that do all the work." The department has given its best shot drafting the proposed changes, and is now hoping to ask the right questions to generate helpful guidance in drafting any final changes to the NMTC, he said.