

BILLING CODE 4810-70-P

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

ANNOUNCEMENT TYPE: Notice and Request for Public Comment

SUMMARY: The U.S. Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, 44 U. S. C. 3506(c)(2)(A). Currently, the Community Development Financial Institutions Fund (CDFI Fund), U.S. Department of the Treasury, is soliciting comments concerning the New Markets Tax Credit Program (NMTC Program) Allocation Application.

DATES: Written comments must be received on or before [Insert date 60 days after publication date in the FEDERAL REGISTER] to be assured of consideration.

ADDRESS: Submit your comments via email to Robert Ibanez, NMTC Program Manager, CDFI Fund, at nmtc@cdfi.treas.gov.

FOR FURTHER INFORMATION CONTACT: Robert Ibanez, NMTC Program Manager, CDFI Fund, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC.

20220. The NMTC Allocation Application may be obtained from the CDFI Fund's website at <http://www.cdfifund.gov/nmtc>. Other information regarding the CDFI Fund and its programs may be obtained through the CDFI Fund's website at <http://www.cdfifund.gov>.

SUPPLEMENTARY INFORMATION:

Title: NMTC Program Allocation Application.

OMB Number: 1559-0016

Abstract: Title I, subtitle C, section 121 of the Community Renewal Tax Relief Act of 2000 (the Act) amended the Internal Revenue Code (IRC) by adding IRC §45D and created the NMTC Program. The Department of the Treasury, through the CDFI Fund, Internal Revenue Service, and Office of Tax Policy, administers the NMTC Program. In order to claim the NMTC, tax payers make Qualified Equity Investments (QEIs) in Community Development Entities (CDEs) and substantially all of the QEI proceeds must, in turn, be used by the CDE to provide investments in businesses and real estate developments in low-income communities and other purposes authorized under the statute.

The tax credit provided to the investor totals 39 percent of the amount of the investment and is claimed over a seven-year period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period without forfeiting any credit amounts they have received.

The CDFI Fund is responsible for certifying organizations as CDEs, and administering the competitive allocation of tax credit authority to CDEs, which it does through annual allocation rounds. As part of the award selection process, CDEs are required to prepare and submit an Allocation Application, which consists of five key sections: Business Strategy; Community Outcomes; Organization Capacity; Capitalization Strategy; and Previous Allocations and Awards. This request for public comment seeks to gather information on the NMTC Allocation Application.

Type of Review: Regular Review.

Affected Public: CDEs applying for allocations of New Markets Tax Credits.

Estimated Number of Respondents: 310.

Estimated Annual Time per Respondent: 263.

Estimated Total Annual Burden Hours: 81,530.

REQUESTS FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval. All comments will become a matter of public record and may be published on the Fund website at <http://www.cdfifund.gov>. Comments are invited on: (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services required to provide information.

AUTHORITY: 26 U. S. C. 45D; 26 CFR 1. 45D-1.

DATED: [to be inserted by the FEDERAL REGISTER]

Mary Ann Donovan

Director, Community Development Financial Institutions Fund