

# United States Senate

WASHINGTON, DC 20510

**June 20, 2013**

## **Support Investment in Low-income and Rural Communities**

We write to ask that you join us in supporting the extension and expansion of the New Markets Tax Credit (NMTC) program by co-sponsoring S. 1133, the *New Markets Tax Credit Extension Act of 2013*. In addition to making the NMTC a permanent part of the Internal Revenue Code, the *New Markets Tax Credit Act of 2013* would increase the annual NMTC allocation and index the allocation to inflation in future years.

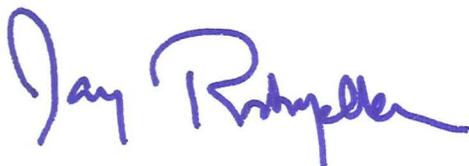
The NMTC is designed to stimulate private investment and economic growth in low-income communities. Since its enactment in 2000, the NMTC has encouraged investments in rural and urban economically distressed communities that have traditionally been overlooked by conventional investors.

The NMTC program attracts capital to low income communities by providing private investors with a 39 percent federal tax credit for investments made in businesses or economic development projects located in some of the most distressed communities in the nation – census tracts where the individual poverty rate is at least 20 percent or where median family income does not exceed 80 percent of the area median.

Between 2003 and 2011, \$27 billion in direct NMTC investments created some 350,000 jobs. These NMTC investments leveraged \$55 billion in total capital investment to communities with high poverty and unemployment rates. While all NMTC investments benefit businesses in low income communities, 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 development organizations with deep ties to the communities in which they work.

We have seen the NMTC make a profound difference in low-income communities and hope you will join us in extending and expanding this important program. If you have any questions or would like to co-sponsor this bill please contact Mark Libell with Senator Rockefeller or Tracy Henke with Senator Blunt.

Sincerely,



John D. Rockefeller IV



Roy Blunt