



## FOR IMMEDIATE RELEASE

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### **Senate and House Convene to Decide Fate of New Markets Tax Credit (NMTC) Program**

*The Senate and the House of Representatives will hold a public meeting today of the conference committee for H.R. 1, The Tax Cuts and Jobs Act, to reconcile the Senate's preservation of NMTC with the House's elimination thereof.*

**Washington, DC, December 13, 2017** -- The Senate and the House of Representatives convene today in a public meeting of the conference committee for H.R. 1, The Tax Cuts and Jobs Act, where they will debate, amongst other topics, whether or not to terminate the New Markets Tax Credit (NMTC) Program. Between 2003 and 2015, NMTC has targeted \$42 billion in tax incentives that have leveraged over \$80 billion in investment from external sources into some of the most economically distressed places in America. Over 1 million jobs have been created.

While tax reform promises to generate broad economic growth, it is unlikely to help low-income communities. NMTC is of pivotal importance to American manufacturing and rural development. Termination of NMTC will negatively affect the poorest communities, including rural red states, by eliminating \$14 billion in financing for business expansions, daycare facilities, hospitals, charter schools, and other important revitalization projects.

"Federal tax revenue generated by NMTC investments more than pays for the cost of the program," explained Jeannine Jacokes, CEO of the Community Development Bankers Association, in an [op-ed](#) published by the *American Banker* today. "Decades of community development experience have proven that tax breaks alone are simply inadequate to spur economic activity in the most distressed areas. If they don't preserve the NMTC, Congress could leave communities in need of a real boost at greater risk."

With community development spending shrinking, the NMTC is the largest program supporting community revitalization. Over the past 30 years, community development spending has fallen by more than 75% as a share of GDP. The NMTC is a bipartisan solution that fills that gap and meets the needs of low-income communities at a lower cost to the federal government. If it is eliminated, these communities will feel serious economic repercussions nationwide.

## **About CDBA**

The Community Development Bankers Association (CDBA) is the voice and champion of the community development banking sector. CDBA and its 68 member banks are shaping a movement to change the banking industry to make it a force for good. Collectively, CDBA and its member banks promote financial inclusion and create economic opportunity in the nation's most economically distressed urban and rural communities.

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