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M David Kroot

John T. Nagle

Polly V. Marshall

Lynn Hutchins

Karen M. Tiedemann

Thomas H. Webber

John T. Haygood

Dianne Jackson McLean

Michelle D. Brewer

Jennifer K. Bell

Robert C. Mills

Isabel L. Brown

James T. Diamond, Jr.

Margaret F. Jung

Heather J. Gould

Juliet E. Cox

William F. DiCamillo

Amy DeVaudreuil

Barbara E. Kautz

Erica Williams Orcharton

Luis A. Rodriguez

Xochitl Carrion

Rafael Yaquian

Vincent L. Brown

Caroline M. Nasella

Facsimile

510 836-1035

San Francisco

415 788-6336

Los Angeles

213 627-6336

San Diego

619 239-6336

Goldfarb & Lipman LLP

LAW ALERT

TREASURY ANNOUNCES 2012 NEW MARKETS TAX CREDIT ALLOCATION AWARDS

On April 24, 2013, the United States Department of Treasury ("Treasury") announced the awardees of New Markets Tax Credits ("NMTC") for the 2012 NMTC round. Treasury awarded a total \$3.5 billion of NMTC to eighty-five community development entities ("CDEs") this round.

Information about the 2012 NMTC allocation awards and the NMTC Program can be found on this [Treasury website](#).

Brief Summary of the NMTC Program

The NMTC program is a tax credit program which promotes investment in businesses and public facilities located in low income communities. In exchange for a qualified equity investment in a CDE, an investor is provided a tax credit. The CDE then provides a loan or an equity investment to a qualified active low income community business located in a qualified low income census tract or

projects proving services or employment opportunities to low income individuals.

Some examples of projects financed with the assistance of NMTC include community centers, charter schools, medical facilities, child care facilities, historic live theater venues, supermarkets, business incubator facilities, shopping centers, office buildings for public agency use, clean technology research facilities, manufacturing plants, mixed use projects, hotels, public libraries, office parks serving nonprofit organizations, and affordable housing.

For more information on the NMTC, please contact Luis A. Rodriguez, John Haygood, Amy DeVaudreuil, Margaret Jung, or any other Goldfarb & Lipman attorney at 510-836-6336.

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