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## **Governor Wolf Announces New Markets Tax Credits for Low-Income, Rural Communities**

**Harrisburg, PA** – Governor Tom Wolf today announced that Commonwealth Cornerstone Group, a nonprofit community development entity (CDE) created by the Pennsylvania Housing Finance Agency, has been awarded \$55 million in New Markets Tax Credit (NMTC) allocations.

“New Markets Tax Credits have a proven track record of attracting private sector investment to areas that need jobs and an economic spark,” said Governor Wolf. “These tax credits incentivize private sector companies to invest in areas that otherwise might be neglected, and in doing so they promote economic revitalization.”

CCG is one of 73 community development entities nationwide receiving an allocation of the total \$3.5 billion in New Markets Tax Credits announced by the Treasury Department. Reflecting the tremendous competition for NMTCs, 214 CDEs had applied for tax credits; 34 percent of the applicants received funding in this latest round of awards.

With this newest allocation, CCG has received eight NMTC awards totaling \$406 million. The first seven awards of tax credits were used to fund 38 developments in the state. These NMTCs have stimulated the creation of 6,921 construction jobs and 6,618 permanent jobs in Pennsylvania.

“We’re grateful to the U.S. Treasury for allocating these tax credits to Commonwealth Cornerstone Group,” said Brian A. Hudson Sr., chairman of CCG and executive director and CEO of PHFA. “These tax credits have tremendous potential to spark economic revitalization in distressed areas of the state, and we’re eager to put them to work in Pennsylvania.”

The goal of CCG is to use these tax credits to fund projects in key areas within communities to create business opportunities and spur economic revitalization. CCG will utilize the NMTCs to provide loans and equity investments for business expansion, mixed-use development, and community facilities across Pennsylvania.

Examples of past developments that have benefited from CCG’s investment of these tax credits include Bakery Square in Pittsburgh, the Stephen Klein Wellness Center in Philadelphia, and the Coal Street Community Facility in Wilkes-Barre, among others.

The New Markets Tax Credit Program, established by Congress in December 2000, permits individual and corporate taxpayers to receive a non-refundable tax credit against federal income taxes for making equity investments in vehicles known as community development entities. CDEs that receive the tax credit allocation authority under the program are domestic corporations or partnerships that provide loans, investments, or financial counseling in low-income urban and rural communities.

Today's announcement brings the total amount awarded through the NMTC Program to \$57.5 billion. Historically, NMTC Program awards have generated \$8 of private investment for every \$1 invested by the federal government. Through the end of fiscal year 2017, the most recent data available, NMTC Program award recipients deployed more than \$48.6 billion in investments in low-income communities and businesses, with impacts such as the creation or retention of more than 800,000 jobs, and the construction or rehabilitation of more than 205 million square feet of commercial real estate.

The tax credits are provided by the U.S. Department of the Treasury's Community Development Financial Institutions Fund. For more information about the U.S. Treasury Department's Community Development Financial Institutions Fund, please visit: [www.cdfifund.gov](http://www.cdfifund.gov).

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