

February 13, 2025

The Honorable Michael Crapo
Chairman
Senate Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Senate Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Jason Smith
Chairman
House Committee on Ways and Means
United States House of Representatives
Washington, D.C. 20515

The Honorable Richard Neal
Ranking Member
House Committee on Ways and Means
United States House of Representatives
Washington, D.C. 20515

Re: New Markets Tax Credit Extension Act (H.R. 1103/ S. 479)

Dear Chairmen Crapo and Smith and Ranking Members Wyden and Neal:

On behalf of the American Bankers Association¹ (ABA), I am writing to express our strong support for the bipartisan New Markets Tax Credit (NMTC) Extension Act (H.R. 1103/ S. 479), recently introduced by Representatives Claudia Tenney (R-NY-24) and Terri Sewell (D-AL-7) and Senators Steve Daines (R-MT) and Mark Warner (D-VA). By making NMTCs permanent, our nation's small businesses, investors, and community development professionals will have consistent access to the vital resources needed to improve our nation's communities while generating long-term economic growth throughout the country.

New Markets Tax Credits are an important source of financing for critical community development projects including childcare facilities, health centers, vocational programs, and small business incubators—and the NMTC program has a twenty-five-year track record of providing flexible incentives for economic development, meeting the ever-evolving needs of diverse industries and communities across the country.

The New Markets Tax Credit Extension Act would further enable banks and other stakeholders to deliver substantial investment and promote greater economic growth in economically distressed rural, urban, and tribal communities.

This proposal has garnered strong bipartisan support in both the House and Senate, and ABA urges Congress to advance this important legislation.

Sincerely,



¹ The American Bankers Association is the voice of the nation's \$24.2 trillion banking industry, which is composed of small, regional, and large banks that together employ more than 2.1 million people, safeguard nearly \$19.1 trillion in deposits, and extend more than \$12.6 trillion in loans.