



## Geithner unveils stimulus tax credits in Boston

Treasury Secretary Tim Geithner shakes hands with Sister Margaret Leonard at the Project Hope Community Building in the Roxbury neighborhood of Boston, where he announced a \$1.5 billion tax credit program Wednesday May 27, 2009.

BOSTON – Treasury Secretary Tim Geithner announced Wednesday that organizations working in

33 states would receive \$1.5 billion in business tax credits fueled with federal stimulus money and aimed at creating and saving jobs in areas hit hard by the economic downturn.

The New Markets Tax Credit program was established in 2000 and is credited with creating an estimated 210,000 construction jobs and 45,000 full-time permanent jobs.

"Many communities have been left with a shortfall of financial support and are unable to pursue desperately needed projects, leaving residents to fall even further behind," Geithner said in a statement. "The New Markets Tax Credit program helps break that cycle."

President Barack Obama has said the stimulus package will save or create about 3.5 million jobs nationally, although critics have questioned how the administration plans to count saved jobs.

The tax credits can be a critical piece of financing for real estate development projects and businesses in economically stressed rural and urban communities.

Geithner, making a rare trip out of Washington, released a list of the 32 new recipients while visiting Project Hope in the Roxbury neighborhood of Boston. Project Hope, which helps families facing homelessness move out of poverty, was a past reward recipient. The tax credits are not only going to recipients active in the 33 states, but also the District of Columbia and Puerto Rico.

The credit permits individual and corporate taxpayers to receive a credit against their federal income tax obligation for making qualified equity investments in community development entities. The credit totals 39 percent of the investment and can be claimed over seven years.

(This version CORRECTS SUBS 6th graf to correct role of Project Hope)