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Treasury Sect. Tim Geithner, right, talks with Mass. Gov. Deval Patrick during a visit to the Project Hope Community Building in the Roxbury neighborhood of Boston, Wednesday, May 27, 2009. Geithner says organizations working in 33 states will receive \$1.5 billion in business tax credits funded by federal stimulus money and designed to create and save jobs in areas hit hard by the economic downturn. (AP Photo/Charles Krupa) (Charles Krupa - AP)



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. (AP Photo/Charles Krupa) (Charles Krupa - AP)

By STEVE LeBLANC  
The Associated Press  
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**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 works with families to help them move up and out of poverty and 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.