



# Ohio New Markets Tax Credit

The Ohio New Markets Tax Credit program:

- Helps provide below-market-rate business loans and real estate investments in low-income communities.
- Supplements the Federal New Markets Tax Credit to increase investment and revitalization in Ohio.
- Provides investors with a tax credit of up to \$1,000,000 per qualified project.
- Leverages public incentives to attract private investment.



## Eligible Applicants:

Community Development Entities (CDEs) serving Ohio that have been allocated Federal New Markets Tax Credits may apply for tax credit allocation authority. The Ohio New Markets Tax Credits are then provided to investors - financial institutions or insurance companies - who invest in projects within low-income communities.

## Potential Funding:

CDEs may apply for up to \$10 million in tax credit allocation authority each round. The maximum investment in any one project, relative to the Ohio New Markets Tax Credit, cannot exceed \$2.56 million.

## Tax Credit Structure:

Investors receive a tax credit equal to 39 percent of their qualified equity investment spread over seven years (0 percent for each of the first 2 years, 7 percent for the third year, and 8 percent for the next four years). The tax credit is non-refundable.

## Program Requirements:

Investments can only be made in designated low-income communities; these are census tracts that have a poverty rate of 20 percent or more, or the median income is below 80 percent, whichever is greater: (a) statewide median income or (b) metropolitan median income.

## Timeline for Application:

Applications are accepted once a year during the spring. For organizations and individuals interested in the program, the Office of Energy and Redevelopment will maintain an interested parties list and distribute program information.

## For Additional Information:

**Office of Energy and Redevelopment**

**Website:** [http://development.ohio.gov/cs/cs\\_onmtcredit.htm](http://development.ohio.gov/cs/cs_onmtcredit.htm)

**E-mail:** [OhioNewMarkets@development.ohio.gov](mailto:OhioNewMarkets@development.ohio.gov)

**Phone:** 614 | 995 2292



**Development Services Agency**

John R. Kasich, Governor

David Goodman, Director