

# Ohio New Markets Tax Credit Program: Notice of Qualified Low-Income Community Investments

**Instructions:** The information provided in this form will be used by the Ohio Development Services Agency to determine if the qualified low-income community investments specified in this form were made in a qualified active low-income community business as that term is defined in section 5725.33(A)(4) of the Revised Code. Please complete all data fields and submit the form to Development with supporting documentation.

1. Name of Qualified Community Development Entity (CDE):	
<b>QUALIFIED LOW-INCOME COMMUNITY INVESTMENT (QLICI)</b>	
2. Date of QLICI closing:	
3. Dollar amount of QLICI made in the QALICB:	\$
4. Has the investment been made in a QALICB as that term is defined in section 5725.33(A)(4) of the Revised Code? (yes or no)	
5. Date this form received by Development:	
<b>QUALIFIED EQUITY INVESTMENT (QEI)</b>	
6. Name of taxpayer making QEI:	
7. *Adjusted Purchase Price paid for the QEI:	
Amount paid for the QEI:	
Percentage of qualified low-income community investments made by the Qualified CDE in Ohio:	

\*As defined in section 5725.33(A) of the Revised Code, “Adjusted Purchase Price” means the amount paid for qualified equity investments multiplied by the qualified low-income community investments made by the issuer in projects located in this state as a percentage of the total amount of qualified low-income community investments made by the issuer in projects located in all states on the credit allowance date during the applicable tax year.

\*If a Project Eligibility Determination has already been received for the project, **and no information has changed** from the date of the determination by the State to the close of the QLICI that would disqualify the QALICB for Ohio New Markets Tax Credits, information for Steps 1-3 does not need to be submitted with this form. Please include a copy of the Determination letter for this project along with this form.

**Step 1: QALICB Information**

**Provide the following basic information about the proposed QALICB.**

- A. Name of the business:
- B. Address of the business:
  
- C. Description of the business:
  
  
- D. Nature of the business:
  
- E. Management Structure / Organizational Chart of the business: (provide as attachment)
  
- F. Is the business expected to be a qualified low income community business (QALICB) under the US Department of Treasury New Markets Tax Credit program?  
Yes    No

*Attachment A: All documentation related to the above questions should be labeled as Attachment A. Documentation may include the management structure, organizational chart and federal QALICB information. Include page numbers and highlight relevant sections.*

**Step 2: Annual Revenue**

**Demonstrate that the business does not derive or project to derive 15% or more of its annual revenue from the rental or sale of real property.**

- A. Does the business derive or project to derive revenue from the rental or sale of real property?  
Yes    No
  
- B. If the answer to 2a is “yes”, how much of the business’ annual revenue (expressed as a percentage of the business’ total annual revenue) will be derived from the rental or sale of real property?

*Attachment B: All documentation related to the above questions should be labeled as Attachment B. Documentation may include current financial statements, audited financial statements, prior year tax return, etc. Include page numbers and highlight relevant sections.*

**Step 3: Special Purpose Entity** (Not applicable if the answer in 2a was “no” or the percentage in 2b is less than 15%)

If the business does derive or project to derive 15% or more of its annual revenue from the rental or sale of real property, provide documentation that demonstrates the business is a special purpose entity, principally owned by a principal user of that property formed solely for the purpose of renting, either directly or indirectly, or selling real property back to such principal user if such principal user does not derive 15% or more of its gross annual revenue from the rental or sale of real property [Ohio Revised Code § 5725.33(A)(4)].

- A. To evidence the **principal user** of the property owned by a special purpose entity, provide documentation that shows the user occupies for the conduct of its business more than 50% of the rentable square footage in a building subject to a lease or other rental agreement for a term not less than the credit allowance period.

**Attachment C:** All documentation related to the above questions should be labeled as Attachment C. Documentation must include a lease or rental agreement as well as evidence of the total square footage of the building. Include page numbers and highlight relevant sections.

- B. To evidence that the entity is **principally owned** by a principal user, provide documentation that shows ownership, directly or by a person that controls the principal user, of at least 80% of the outstanding shares or other equity interest and the power to exercise, directly or indirectly, a controlling influence over the management policies of the special purpose entity.

**Attachment D:** All documentation related to the above questions should be labeled as Attachment D. Documentation must include certificates or other evidence of ownership and operating, partnership, or voting agreements to evidence control of management. Include page numbers and highlight relevant sections.

- C. Provide documentation that shows the principal user does not derive 15% or more of its gross annual revenue from the rental or sale of real property.

**Attachment E:** All documentation related to the above questions should be labeled as Attachment E. Documentation may include current financial statements, audited financial statements, prior year tax return, etc. Include page numbers and highlight relevant sections.

- D. Provide evidence that the qualified business does not expect to derive 15% or more of its gross annual revenue from the rental or sale of real property over the course of the seven year tax credit period.

**Attachment F:** All documentation related to the above questions should be labeled as Attachment F. Evidence may be in the form of a letter from the authorized representative of the qualified business indicating that they have a reasonable expectation that this requirement will be met. Include page numbers and highlight relevant sections.

The undersigned acknowledges that a copy of the information in this form is being submitted to the Ohio Development Services Agency as part of the process to obtain a financial benefit from the State of Ohio, that the State of Ohio will rely on the information provided in this form regarding the Qualified Active Low-Income Community Business (QALICB) for the Ohio New Markets Tax Credit program, and that presenting a false claim to the State of Ohio may subject the undersigned and/or the entities they represent to criminal and/or civil penalties as provided for in Ohio Revised Code § 2921.13. Further, the undersigned, individually and on behalf of the entity he/she represents, swears or affirms under penalty of law, that he/she is an authorized representative of such entity and that all of the information provided in this form (including the supporting documentation) is true, correct and complete.

Signature of Authorized Representative of the QALICB

Date

Type or print name

The undersigned CDE has reviewed the information submitted by the QALICB and has no reason to believe that any of the information provided in this form (including the supporting documentation) is not true, correct and complete to the best of their knowledge. Further, the undersigned, individually and on behalf of the entity he/she represents, swears or affirms under penalty of law, that he/she is an authorized representative of such entity and is operating in compliance with their signed allocation agreement with the Ohio Development Services Agency.

Signature of Authorized Representative of CDE

Date

Type or print name

**Purpose of Form:**

Chapter 122:22-1-03 of the Ohio Administrative Code requires the CDE to notify the director of each qualified low-income community investment and to certify that the investment has been made in a qualified active low-income community business.

**Where to File:**

Attn: Ohio New Markets Tax Credit Program Manager  
Ohio Development Services Agency, Office of Redevelopment  
77 South High Street, 26<sup>th</sup> Floor  
Columbus, OH 43215

**When to File:**

The original signed form must be provided by the CDE to Development no later than 60 days after closing each qualified low-income community investment made in this state for which a new market tax credit is to be allowed. Send a copy of the form to Development at the address listed above. Keep a copy for your records.