



The New Jersey Neighborhood Revitalization Tax Credit Program

(Program Summary for Investors)



What is the Neighborhood Revitalization Tax Credit (NRTC) Program?

The Neighborhood Revitalization Tax Credit Program (NRTC) is designed to foster the revitalization of New Jersey's distressed neighborhoods through the utilization of community-driven neighborhood planning and the creation of private/public/nonprofit partnerships. Since 2010, NRTC has yielded the following economic and community benefits: construction of 97 new housing units; rehabilitation of 365 housing units; assistance to 64 commercial business ventures; creation of 17 commercial spaces; and job training assistance, job placement services, and youth education/mentoring opportunities for 2100 individuals.

How will investors benefit from the NRTC Program?

Business entities that invest in the NRTC Program create long-lasting partnerships with exceptional non-profit organizations, who in concert facilitate meaningful and effective revitalization activities in communities of need. Investors seeking Community Reinvestment Act credits or looking to fulfill corporate community investment initiatives will receive an 80 percent tax credit, from the New Jersey Department of Community Affairs (NJDCA), for the amount of funds contributed via tax certificate.

What is a Neighborhood Plan?

A neighborhood plan is a shared vision for the future development of a neighborhood, driven by residents and community stakeholders that address the preservation or revitalization of the community. A plan must cover a period of five to 10 years, and may include physical, social and economic activities that address the growth, stability, and health of the neighborhood. In order for a participating 501 (c)(3) to receive corporate investments, it must first submit a neighborhood plan for DCA approval.



For additional information, please contact:

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Where can qualified projects be located?

Projects must be located within a municipality where a NJDCA-approved neighborhood plan exists and is designated as either “Special Municipal Aid Act” eligible or as an “Abbott (School) District.” Currently there are more than 60 municipalities which meet this requirement.

What Projects can I invest in?

NRTC will receive project applications from community-based non-profit organizations that have a NJDCA-approved neighborhood plan. The submitted applications will be evaluated through a review process. The best projects and the strongest non-profit organizations will be listed in the Qualified Projects Pool (QPP) as “eligible for funding.” Investors are then able to select the project of their choice.

Who can apply for tax credits?

Business entities that are active in New Jersey and have a state tax liability are eligible to apply for the NRTC Program’s tax credits. This includes companies that owe corporation business tax or insurance premium tax. This also includes entities such as partnerships, limited liability companies and S-corporations that owe state gross income tax related to business activity.

The NRTC Program will provide an application form for the tax credits. It will be made available only in conjunction with the QPP, previously referenced. The tax credits application form and the QPP will generally be available in the late fall of the calendar year. These documents will be posted to the NRTC webpage (<http://www.nj.gov/dca/divisions/dhcr/offices/nrtc.html>)

What will NRTC fund?

HOUSING AND/OR ECONOMIC DEVELOPMENT ACTIVITIES:

Production of new housing through rehabilitation or new construction; preservation or upgrading of existing housing; rendering existing housing more affordable; homebuyer counseling; rehabilitation or construction of commercial facilities; assistance to small business entities; and measures to increase the income and labor force participation of neighborhood residents (including employment training and child care).

NEIGHBORHOOD COMPLEMENTARY ACTIVITIES:

Programs and services targeted to (and which primarily benefit) neighborhood residents; infrastructure improvements (including streetscapes); public open space; recreation; crime prevention; and community outreach



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