

**CDFI Fund**  
**New Markets Tax Credit Program (NMTC)**  
**Allocation Tracking System Data Points**

Pursuant to a Federal Register Notice (75 Federal Register 9275, March 1, 2010), the CDFI Fund has solicited public comments regarding the information collection requirements (contained in the NMTC Allocation Agreement) related to an Allocatee's receipt of a Qualified Equity Investment (QEI). Allocatees will provide this information using an electronic data collection and submission system, which the Fund has developed, known as the Allocation Tracking System (ATS). Below is a summary of the system's key functionalities as well as a list of the data points Allocatees will be required to submit through the ATS.

**Paperwork Reduction Act Notice to appear in ATS.**

Please note that the CDFI Fund has provided the Allocation Tracking System (ATS) to Allocatees of the New Markets Tax Credit (NMTC) Program as a tool to assist Allocatees with the administration of their NMTC Allocations. However, an Allocatee's entry of data into the ATS will not ensure that an Allocatee is in compliance with the terms of its Allocation Agreement with the CDFI Fund or any other applicable requirements set forth in the Internal Revenue Code, the Temporary and Proposed Income Tax Regulations for the NMTC Program or any other federal program, statute, or regulation. In addition, the CDFI Fund does not provide any warranty, expressed or implied, guarantee of any kind, nor assumes any legal liability or responsibility for the accuracy, reliability or completeness of any data contained in the ATS.

Allocatees are not required to respond to this collection of information unless it displays a currently valid OMB control number. The estimated average burden associated with this collection of information is 12 hours per year per allocation. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Program Manager for Certification, Compliance Monitoring and Evaluation, Community Development Financial Institutions Fund, U.S. Department of the Treasury, 601 13th Street, NW, Suite 200 South, Washington, D.C. 20005.

## Key Definitions

- (1) **Tier 1 Investors** are those who directly provide QEIs to an Allocatee or its eligible subsidiary CDEs.
- (2) **Tier 2 Investors** are the partners and/or members of a Tier 1 Investor with a pass-through structure (e.g., a limited liability company or limited partnership).
- (3) **NMTC Claimants** are those entities and individuals that will actually claim NMTCs on their tax returns. Depending upon the structure of an investing entity, it is possible for a Tier 2 Investor to also be a NMTC Claimant.

## Summary of Key System Functionalities

Some of the key features of the ATS are as follows and allows Allocatees to:

- Enter and save data regarding any transfer of allocations to eligible subsidiary CDEs.
- Enter and save data regarding the receipt of QEIs.
- Generate and submit the requisite email notification to the Fund regarding receipt of a QEI, per the Allocatee's Allocation Agreement requirements.
- Continually view QEI data that has already been finalized submitted to the Fund.
- Print PDF reports on submitted QEI data.
- Download submitted QEI data in comma-delimited format, which is compatible with most spreadsheet software such as Excel.

The CDFI Fund will maintain a step-by-step guide to using the ATS, which will be accessible to all Allocatees via an electronic link in the ATS and on the Fund's website.

## List of Data Points

Using the ATS, Allocatees will be required to submit the following information to the Fund:

### **Allocation Transfers to Eligible Subsidiary CDEs**

- (1) Name of the subsidiary CDE to which the Allocatee is transferring allocations
- (2) Total amount of allocations transferred to the subsidiary CDE

### **QEIs**

- (3) Name of the CDE that issued the QEI (e.g., the Allocatee or an eligible subsidiary CDE that received a transfer of allocations)
- (4) Amount of the QEI at original issue
- (5) Date of the original QEI
- (6) Number of Tier 1 Investors contributing to the QEI
- (7) Is the issuing CDE an affiliate or subsidiary of an entity that files a consolidated tax return?
- (8) Name of the parent taxpayer with whom the issuing CDE files a consolidated tax return.
- (9) TIN of the parent taxpayer with whom the issuing CDE files a consolidated tax return.

### **Tier 1 Investors**

- (10) Name of the Tier 1 Investor(s) who provided the QEI
- (11) Type of investor (e.g., regulated bank, venture fund, real estate developer, individual, etc.)
- (12) Indication if this is a new investor
- (13) Indication if this is an affiliated investor
- (14) Investment amount
- (15) Form of the QEI (e.g., stock or capital interest)
- (16) Taxpayer identification number (TIN)
- (17) Anticipated rate of return
- (18) Full address (including street address, city, state, and zip code)
- (19) Phone number
- (20) Email address
- (21) Indication if the Tier 1 Investor is a pass-through entity; if the Tier 1 Investor is a pass-through entity, the Allocatee will also need to supply the following data about the Tier 1 Investor:
  - (a) Number of Tier 2 Investors that comprise the pass-through Tier 1 Investor
  - (b) Amount of equity capital that contributed to the pass-through Tier 1 Investor's QEI
  - (c) Amount of debt capital that contributed to the pass-through Tier 1 Investor's QEI

### **Tier 2 Investors (only provided if a Tier 1 Investor is a pass-through entity)**

- (22) Name of the Tier 2 Investor(s)
- (23) Type of Investor
- (24) TIN
- (25) Indication if the Tier 2 Investor is a pass-through entity

### **NMTC Claimant (only provided if a Tier 2 Investor is a pass-through entity)**

- (26) Name of the NMTC Claimant(s)
- (27) Type of Investor
- (28) TIN