

Non-substantive Change Justification Memo
Community Development Financial Institutions Fund
New Markets Tax Credit Program 2013 Application
OMB Paperwork Reduction Act No.1559-0016

The Community Development Financial Institutions Fund (CDFI Fund) requests PRA clearance of the New Markets Tax Credit application form by July 8, 2013 so that the application can be released to the public on July 15, 2013. The CDFI Fund requests approval of the document based on the changes being non-substantive and non-material. The CDFI Fund will combine two rounds of funding (2013 and 2014) using this application. While not impacting the application form itself, because program applicants would otherwise have to fill out two separate 2013 and 2014 applications, we can report that the public burden is cut in half over the two year period.

The PRA number for this application was renewed on March 29, 2011 with an expiration date of March 31, 2014. The CDFI Fund limited changes to reflect updated deadlines and data collection periods and instructions, clarified question wording, and “tips”. There is one new sub-question element added, related to an IRS rule regulatory change - “TD 9600”. The new question is simply an additional sub-question (#13(b)) that requires entering two percentage estimates regarding projected investments in real estate businesses. Previously applicants did not need to break out this information to this level. This does not require any additional record keeping and should not have a material impact on the burden of completing the application, given that applicants previously needed to report the overall percentage of investments that would go to real estate businesses. Further, only applicants that plan to invest in real estate project need to provide this information.

Reflecting the limited changes that are proposed, the application includes forty-five questions and incorporates several exhibits that were approved last year. Applicants submit this application via an electronic form so that the CDFI Fund can evaluate applicants for New Market Tax Credit allocation awards. The CDFI Fund collects this information once per funding round.

The annual requirements for completing the application and updated deadlines are communicated via a Notice of Allocation Availability published in the Federal Register and through various agency outreach materials posted on the CDFI Fund website.

In summary, the application represents a non-substantive, non-material change from the prior year. We appreciate your prompt approval, so that we may make the application available to the public on schedule. We would be happy to discuss any questions or concerns you may have.