

## Notice of Recapture Event for New Markets Credit

<b>1</b> Name of qualified community development entity (CDE)	<b>2</b> EIN of qualified CDE
<b>3</b> Name of taxpayer with qualified equity investment subject to recapture	<b>4</b> TIN of taxpayer with qualified equity investment subject to recapture
<b>5</b> Date of qualified equity investment (mm/dd/yyyy)	<b>6</b> Amount of qualified equity investment
<b>7</b> Date of recapture event (mm/dd/yyyy)	<b>8</b> Amount of New Markets Credit captured
<b>9</b> Reason for recapture <input type="checkbox"/> CDE ceased to be a CDE <input type="checkbox"/> The proceeds of the investment ceased to be used in a manner that satisfies the substantially-all requirement <input type="checkbox"/> The investment is redeemed or otherwise cashed out by the CDE	
<b>10a</b> Aggregate decrease in credit: Year 1	
<b>b</b> Aggregate decrease in credit: Year 2	
<b>c</b> Aggregate decrease in credit: Year 3	
<b>d</b> Aggregate decrease in credit: Year 4	
<b>e</b> Aggregate decrease in credit: Year 5	
<b>f</b> Aggregate decrease in credit: Year 6	
<b>g</b> Aggregate decrease in credit: Year 7	

Under penalties of perjury, I declare that the recapture event identified above occurred on the date identified above.

**Please  
Sign  
Here**

Signature of authorized official of CDE

Date

Type or print name

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

CDEs must provide notification to any taxpayer holder of a qualified equity investment (including prior holders) that a recapture event has occurred. This form is used to make the notification as required under Regulations section 1.45D-1(g)(2)(i)(B).

### Where To File

Department of the Treasury  
Internal Revenue Service Center  
Philadelphia, PA 19255-0549

### When To File

The original signed form must be provided by the CDE to the taxpayer holder no later than 60 days after the date the CDE becomes aware of the recapture event. Send a copy of the form to the IRS at the address listed above. Keep a copy for your records.

A separate notice must be provided for each qualified equity investment for which a recapture event occurred.

### Additional Information

For more details, see Form 8874, New Markets Credit, section 45D, Regulations section 1.45D-1, and [www.cdfifund.gov](http://www.cdfifund.gov).

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** . . . . . 5 hr., 1 min.
- Learning about the law or the form** . . . . . 12 min.
- Preparing and sending the form to the IRS** . . . . . 17 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can email us at: [taxforms@irs.gov](mailto:taxforms@irs.gov). Enter "Form 8874-B Comment" on the subject line. Or write to: Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File* above.