

UNITE TO CREATE POSITIVE LASTING CHANGE

Senator Michael Brady
Chair, Joint Committee on Revenue
24 Beacon St.
Room 519
Boston, MA 02133

Representative Jay Kaufman
Chair, Joint Committee on Revenue
24 Beacon Street
Room 34
Boston, MA 02133

Dear Chair Brady, Chair Kaufman and members of the Committee,

I write in support of H.2617 and S.1511, *An Act to promote high-impact community investment*. Every day, in neighborhoods and cities across the Commonwealth, Community Development Corporations (CDCs) are working hard to spur affordable housing and job creation, incubate small businesses and revitalize neighborhoods. Since the program's inception in 2014, United Way has raised over \$4 million from donors to support CDCs across the state through the Community Investment Tax Credit (CITC). The CITC program is fostering deepened community engagement efforts, expanding community development programming and increasing positive impact in local communities with families and individual residents.

H.2617 and S1511 extend and expand the CITC in two ways. First, this legislation extends the sunset from 2019 to 2025. This is consistent with the recommendations of the state's Tax Expenditure Commission to require tax credits to periodically sunset so that the Legislature has an opportunity to review their continued efficacy. Secondly, the CITC is currently capped at \$6 million annually and each CDC can receive no more than \$150,000 in credits. As more CDCs and donors join the program, these caps need to be lifted. The bill provides for an incremental increase in caps from \$6 million today, to \$8 million (in 2019), then \$10 million (in 2021), and to \$12 million (in 2023) and will allow for increased donor participation and investment in communities.

Given the successes of this highly effective program, I respectfully ask that you report this bill favorably. Thank you for your time and consideration.

Sincerely,



Mike Durkin
President & CEO
United Way of Massachusetts Bay and Merrimack Valley



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of Massachusetts Bay
and Merrimack Valley**

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