



TaxNewsFlash

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U.S. Treasury announces New Markets Tax Credit (NMTC) awards

The U.S. Department of the Treasury's Community Development Financial Institutions (CDFI) fund on December 23, 2025, announced New Markets Tax Credit (NMTC) awards for both the 2024 and 2025 calendar year rounds.

The Treasury Department also announced reforms to focus NMTC awards on community revitalization and ensure NMTC awardees' compliance with federal anti-discrimination laws.

According to the [CDFI announcement](#), the NMTC awards reflect a 20% increase in investments in rural and non-metro communities, which will help expand rural hospitals, strengthen small businesses, build domestic manufacturing capacity, and support job creation.

Read the list of awards in the [NMTC program award book CY 2024-2025](#)

Background

The NMTC program encourages private sector investment in distressed communities by offering a tax credit to those who make qualified equity investments (QEI) in community development entities (CDEs), which then invest in businesses in low-income areas. The tax credit amounts to 39% of the investment, claimed over seven years.

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