

## Novogradac 2019 New Markets Tax Credit Spring Conference

June 6-7

The Mayflower Hotel Autograph Collection  
Washington, D.C.

### Wednesday, June 5

9 a.m.–4:15 p.m.

#### **NMTC 101: The Basics**

Learn the fundamentals of the New Markets Tax Credit (NMTC) program, including the background, roles of significant players, the alphabet soup of CDEs, QEIs, QLICIs and QALICBs, how to avoid recapture and more, from experts with years of experience consulting on NMTC deals.

Learning objectives:

- Identify the role tax credits serve in incentivizing corporations to invest in low-income communities
- Calculate when and how many credits are claimed based on the amount of qualified equity investment(s)
- Differentiate between the roles of the CDFI Fund, CDEs, investors and Qualified Active Low-Income Community Businesses (QALICB)
- List the elements of the new markets tax credit program definition
- Identify the advantages of the leverage structure in reducing tax credit pricing as well in lowering interest rate for QALICBs
- Compare the success rate of allocation amounts awarded vs. requested as well as number of applicants vs. allocatees among all previous allocation rounds
- List the ways a member of a governing or advisory board can represent the interests of a low-income community
- Define what it means to be a “low-income community” and differentiate between primary and secondary criteria for being an area of higher distress
- Identify the tests needed to make a business a QALICB
- Differentiate between the direct tracing and the safe harbor tests for satisfying the “sub all” requirement
- Identify which actions violate NMTC program rules and lead to recapture of new markets tax credits

Instructional delivery method: Group live

Program level: Basic

Prerequisites: None

Advance preparation required: None  
Recommended field of study: Taxes  
Recommended CPE credit: 6

**1 p.m.–5 p.m.**

### **NMTC 201: Compliance**

Getting a new markets tax credit (NMTC) allocation and even closing your QLICs isn't the end of the line for CDE compliance. Learn about compliance requirements from the IRS and CDFI Fund, recapture risks, allocation agreements, the substantially all test, common pitfalls and more.

Learning objectives:

- List the steps of NMTC compliance from setting up the CDE through CIIS reporting
- List requirements for becoming a community development entity (CDE)
- Identify IRS and CDFI Fund Requirements at closing
- Differentiate between tax forms 8874, 8874-A and 8874-B
- Identify rules required to avoid credit recapture
- Recall best practices for managing compliance risks
- Differentiate between gross income test, services performed test and tangible property test
- Define targeted population
- List requirements of investments to be considered qualified equity investments (QEIs)
- Identify pitfalls in passing the sub-all test
- Distinguish between distributions and redemptions when avoiding credit recapture
- Differentiate between calculating taxable income of a corporation vs. for a partnership
- Identify common areas of concern regarding redemption risk as well as ways to mitigate risks
- Identify impact of original issue discounts on operating income
- Identify the required compliance reports for the NMTC program as well as how to complete those reports
- List major considerations for the parties when the compliance window is over

Instructional delivery method: Group live

Program level: Intermediate

Prerequisites: A basic understanding of the NMTC program

Advance preparation required: None

Recommended field of study: Taxes  
Recommended CPE credits: 4

**Thursday, June 6**

**7:30–9:15 a.m.**

**Keynote Address & Breakfast**

**General Sessions**

**9:15–9:30 a.m.**

**Welcome**

**9:30 –10:30 a.m.**

**Inside the Beltway**

Hear about what’s happening in the nation’s capital concerning the possible extension of the new markets tax credit, as well as other legislative and administrative moves that will affect community development.

Learning Objective(s): Identify the likely effects of legislative and administrative moves on community development

Instructional delivery method: Group live

Program Level: Update

Prerequisites: A basic understanding of the NMTC program

Advance preparation: None

Recommended field of study: Specialized knowledge

Recommended CPE credit: 1

**10:30–10:40 a.m.**

**10:40 –11:30 a.m.**

**CDFI Fund Q&A Panel**

Our expert panel shares the latest on the NMTC program, the 2019 allocation round and updates regarding compliance and CIIS reporting.

Learning Objective(s): Identify updates regarding compliance and CIIS

Instructional delivery method: Group live

Program Level: Update

Prerequisites: A basic understanding of the NMTC program

Advance preparation: None

Recommended field of study: Specialized knowledge

Recommended CPE credit: 1

**11:30 –11:40 a.m.**

**Break**

**11:40 a.m.–12:30 p.m.**

**Mid-Year Investor Review**

Attend this Newlywed Game-style interactive panel as members write down their answers to a series of prepared questions while the moderator poses the same questions to the audience through live polls. Find out how your views compare to the investors and gain an understanding for how they make their decisions.

Learning objective(s): Identify the methods and factors considered by investors in decision making.

Instructional delivery method: Group live

Program level: Update

Prerequisites: A basic understanding of the NMTC program

Advance preparation: None

Recommended field of study: Economics

Recommended CPE credit: 1

**12:30–1:30 p.m.**

**Networking Lunch**

**1:45–2:45 p.m.**

**Campfire #1: Allocation Agreement Requirements**

Gain insight about allocation agreements and have an opportunity to ask questions and interact with experts and fellow attendees. Learn about what you have and pick up understanding of what's available.

Learning objective(s): Identify requirements of allocation agreements.

Instructional delivery method: Group live

Program level: Intermediate

Prerequisites: A basic understanding of the NMTC program

Advance preparation required: None

Recommended field of study: Specialized knowledge

Recommended CPE credits: 1

**2:45–3 p.m.**

**Break**

**3–4 p.m.**

**Campfire #2: Wind Downs**

This panel discusses various wind-down options, including debt-for-debt exchanges, vanilla deals and twinned deals. Learn what you need to know ahead of time so you're ready.

Learning objective(s): Identify wind-down options, including debt-for-debt exchanges, vanilla deals and twinned deals.

Instructional delivery method: Group live

Program level: Intermediate

Prerequisites: A basic understanding of the NMTC program

Advance preparation required: None

Recommended field of study: Taxes

Recommended CPE credits: 1

**4–4:10 p.m.**

**Break**

**4:10–5 p.m.**

**Campfire #3: How to submit a winning NMTC Application**

The New Markets Tax Credit program is competitive and the first step to making an allocation is *winning* the allocation. Hear moderators discuss the basics of a winning application, then get the chance to work with facilitators to help maximize your chance.

Learning objective(s): Identify the components of a winning NMTC application.

Instructional delivery method: Group live

Program level: Intermediate

Prerequisites: A basic understanding of the NMTC program

Advance preparation required: None

Recommended field of study: Specialized knowledge

Recommended CPE credits: 1

**5–6:30 p.m.**

**Reception**

**Friday, June 7**

**8–9 a.m.**

**Registration and Breakfast**

**9–9:30**

**NMTC Efficacy**

Moderators discuss the importance of quantifying community outcomes and aligning planned NMTC financings/investments with broader community or economic development strategies, as well as how pre-NMTC transaction impact assessments can help to maximize your chances of winning an NMTC allocation.

**9:30–10:30 a.m.**

**Understanding the “But For” Analysis**

Gain a deeper understanding of the fabled “but-for” analysis, including how it can improve your deal and what requirements—if any—there are to conduct it.

Learning objective(s): Identify the requirements and benefits of the “but-for” analysis.

Instructional delivery method: Group live

Program level: Intermediate

Prerequisites: A basic understanding of the NMTC program

Advance preparation required: None

Recommended field of study: Specialized knowledge

Recommended CPE credits: 1

**10:30–10:45 a.m.**

**Break**

**10:45–11:45 a.m.**

**NMTC Legal, Tax & Structuring Issues Roundtable**

Get help from the experts on issues that face developers and investors in new markets tax credit transactions. Hear about problems and solutions to legal, tax and structuring issues from a variety of perspectives.

Learning objective(s): Identify problems and solutions to legal, tax and structuring issues affecting developers and investors in NMTC transactions.

Instructional delivery method: Group live

Program level: Intermediate

Prerequisites: A basic understanding of the NMTC program

Advance preparation required: None

Recommended field of study: Specialized knowledge

Recommended CPE credits: 1

**NASBA Registration**

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All cancellations must be made in writing and must be received no later than ten (10) days before an event. A \$100 administrative fee will be deducted from all refunds per attendee. **We regret that we cannot refund cancellations made within 10 business days of the conference or to registrants who do not attend the conference.** Confirmed registrants who fail to attend and do not cancel will be charged the entire registration fee.

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### **Course Delivery Policy**

Delivery Method: Group Live

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits for this course are based on a 50-minute hour. Novogradac conference panels and workshops employ at least one element of engagement related to course content during each credit of CPE. These elements of engagement include group discussion, polling questions, instructor-posed questions with time for participant reflection, case studies with different engagement elements throughout the program, opportunities for attendees to pose questions, and other.

### **Maximum Potential CPE Credits**

Excluding pre-conference workshops, it is possible to obtain a maximum of 8 credits at this conference.