

MASSACHUSETTS COMMUNITY INVESTMENT TAX CREDIT



What is the Community Investment Tax Credit?

Signed into law in 2012, the Community Investment Tax Credit (CITC) is a state tax credit program designed to enable all to invest in community development corporations (CDC) to support high-impact community and economic development initiatives in neighborhoods throughout the state.

Individual and corporate donors who donate to WHALE, will receive a state tax credit equal to 50% of a donation of \$1,000 or more. When combined with federal tax deductions, donors have the opportunity to leverage the net cost of their contribution by three-fold.

CITC Background

In 2014, state certified CDCs, including WHALE, submitted multi-year business plans detailing how they will improve their community and leverage federal and private resources for neighborhood based economic development. Since then, the Department of Housing and Community Development rank the plans every year to identify those most effective in meeting local and state-wide goals for community economic development.

In 2016, **WHALE was awarded \$150,000 in state Community Investment Tax Credits** that was used to secure up to \$300,000 in private support. The Community Investment Tax Credits are awarded annually through an application process and the program is funded until 2019.

This tax credit program will fund WHALE's state-approved Community Investment Plan and provide flexible working capital that can be used to seed preservation projects and programs, fill funding gaps, and leverage other resources.

CITC Donor Benefits

Individual and corporate donors who support WHALE will receive a state tax credit equal to 50% of a qualified investment, defined as a cash contribution of at least \$1,000. Non-profits, foundations, and out-of-state donors will receive a cash rebate for 50% of their donation.

- *Donors must claim the Community Investment Tax Credit in the year the gift was made.*
- *The CITC is refundable. If the donor does not have sufficient tax liability, the Commonwealth will issue a check for the balance of the credit to the donor.*
- *Donations made through the CITC program are eligible for a federal tax deduction.*

CITC Donation Chart

WHALE GIVING LEVEL				
Donation to WHALE	\$1,000	\$2,500	\$5,000	\$10,000
MA Community Investment Tax Credit	\$500	\$1,250	\$2,500	\$5,000
Federal Tax Deduction (35%)*	\$350	\$875	\$1,750	\$3,500
Total First Year Tax Savings	\$850	\$2,125	\$4,250	\$8,500
Net Donation	\$150	\$375	\$750	\$1,500

*Illustration - 35% tax bracket. Consult your tax advisor

For more information please contact Diane Brodeur at (508) 997-1776 or e-mail to dbrodeur@waterfrontleague.org



WHALE Community Investment Plan: “WHALE makes history by saving history”

WHALE was founded in 1962 during the times of urban renewal when many historic downtown buildings were neglected and demolished after decay. Our mission is to foster historic preservation and the continued use of the city’s architectural heritage to enhance community and economic development of our Gateway City. WHALE accomplishes its work through bricks and mortar preservation projects, including the development of arts and cultural venues, affordable and market housing, and mixed-use retail. WHALE’s model of assessing, acquiring, and repurposing sites under threat has saved over 65 buildings and protected some of the most notable housing and cultural venues in the city. Since its inception, WHALE has been a leading investor in New Bedford best known for key restorations such as the Corson Building, Rotch-Jones-Duff House & Garden, and Zeiterion Theatre.

WHALE as a Community Development Corporation receives Community Investment Tax Credits from the state to build communities, improve places, and transform lives.

Current Projects, New Bedford



Why Restoration?

Since inception of CITC, WHALE has:

- Contributed to affordable housing added through five redevelopment projects
- Leveraged over \$56M in funding sources directly for the development of New Bedford
- Saved four endangered landmarks listed in the National Register (First Baptist Church, Howland House, Mariners’ Home, Seamen’s Bethel)
- Advocated for the approval of the New Bedford Community Preservation Act

By repurposing historic buildings that are either vacant or in disrepair for a community purpose, WHALE has saved properties that could not be handled by the private sector.

Current Programs

WHALE’s programs assist in revitalizing Downtown New Bedford and its surrounding neighborhoods through:

- **Neighborhood Restoration:** Targets challenging sites, usually within low-income neighborhoods, to repurpose them for affordable housing
- **Creative Economy Restoration:** Creates new cultural venues to promote tourism and provide new arts enriching experiences for New Bedford residents
- **Non-profit partnerships:** Assisting New Bedford non-profits with creating new venues in historic treasures

The Community Investment Tax Credit (CITC) is a vital tool in assisting in implementing our projects for the continued mission of revitalizing New Bedford through historic preservation.