

**Congress of the United States**  
**Washington, DC 20515**

June 11, 2014

The Honorable Dave Camp  
Chairman  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Sandy Levin  
Ranking Member  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin:

We write to ask you to extend and expand the empowerment zone tax credit, which expired on December 31, 2013. H.R. 3535, the Revitalize Our Cities Act would not only extend the federal empowerment zone designations for three years, but it also would classify 20 additional cities as empowerment zones. The program tax credit is critical to putting economically challenged cities on a long-term path to economic growth, and more communities should be able to take advantage of its benefits.

As you know, the empowerment zone program seeks to lower unemployment and generate jobs through the designation of Federal tax incentives and award of grants to distressed communities.

The empowerment zone employment credit provides businesses with an incentive to hire individuals who both live and work in an empowerment zone. Qualifying businesses in empowerment zones are eligible for employment credits of up to \$3,000 per year per employment zone resident employed.

While we are in favor of thoughtful reform to make our tax code fairer and more sensible, we know that effort will not occur this year. That is why it is imperative Congress extend the empowerment zone tax credit, which is a critical source for businesses willing to work in and with local governments and residents of distressed communities.

There is substantial evidence that shows empowerment zone tax credits have a significant positive effect on total wage and employment of empowerment zone residents who work for

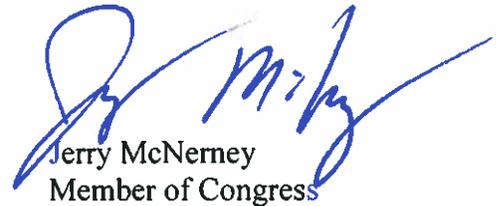
firms that are eligible to claim these credits. By making local firms more productive through infrastructure investments and initiatives promoting safety and other local public goods, the transfer into higher wages is felt among zone workers.

Unless Congress acts to extend the empowerment zone tax credit, businesses and communities across the country will lose an important source of capital. With a fragile economic recovery still under way, now is not the time to cut off this critical source of financing. As such, we ask that you support action to provide an extension for the empowerment zone tax credit.

Sincerely,



Marcia L. Fudge  
Member of Congress



Jerry McNerney  
Member of Congress