

Keynote remarks by
Tony T. Brown, Director

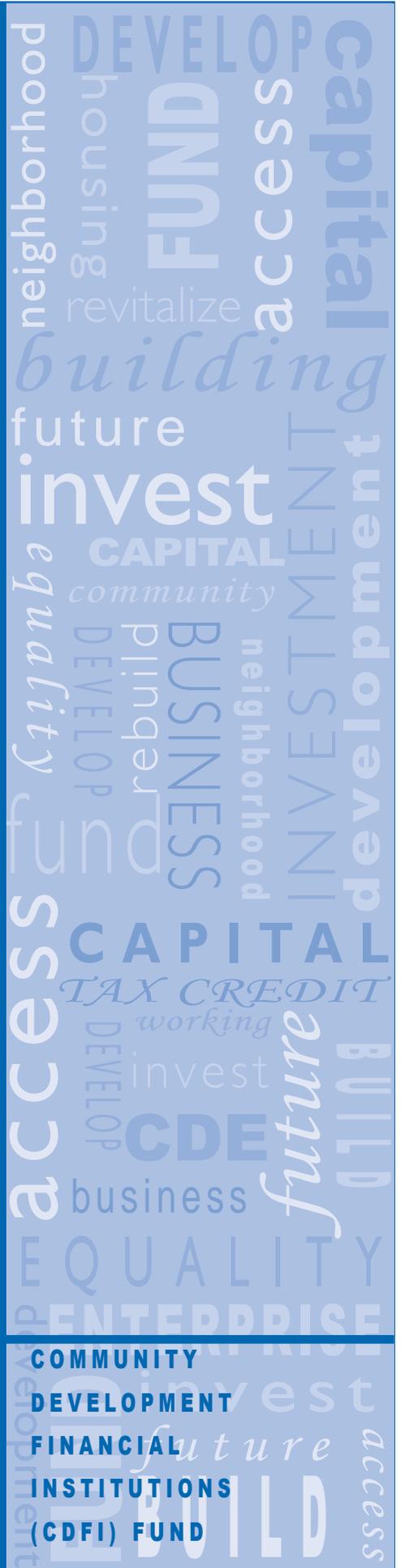
Community Development Financial
Institutions Fund (CDFI)

to the

Board of Advisors
of the
Charlotte Chamber of Commerce

April 23, 2003
Charlotte, NC

CDFI
fund



COMMUNITY
DEVELOPMENT
FINANCIAL
INSTITUTIONS
(CDFI) FUND

EMBARGOED UNTIL 3:45 p.m.
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**Remarks by Tony T. Brown, Director
Community Development Financial Institutions (CDFI) Fund
U.S Department of the Treasury**

to the

**Board of Advisors
of the
Charlotte Chamber of Commerce**

**April 23, 2003
Charlotte, NC**

Good afternoon. Thank you Ed, for your kind introduction. I also would like to thank the Charlotte Chamber of Commerce for allowing me to participate and make a very important presentation on behalf of the Bush Administration here this afternoon.

Along with protecting our national security, the President's top priority for the nation is to strengthen our economic security and to help those who want and need jobs find them. In particular, President Bush cares a great deal about extending jobs and opportunities to America's poorest and hardest hit communities.

This afternoon I have the pleasure of recognizing the locally-based winners of the Treasury Department's New Markets Tax Credit program, administered through the Community Development Financial Institutions Fund. This \$15 billion program has the potential to stimulate private investment in the nation's low-income communities, creating jobs and opportunities for Americans who might not otherwise have them, and it does so in a way that holds participants accountable for producing results. I am here today to recognize one of your leading businesses - Wachovia Community Development Enterprises.

These organizations truly represent the best of the best among innovative, community-oriented economic development organizations in this country. They are among a total of 66 organizations nationwide that will receive \$2.5 billion in New Markets Tax Credits this year. The organizations serving North Carolina have been awarded \$225 million in tax credit allocation authority. Many of the investments made will go directly to nonprofit community-based and faith-based organizations.

I would like to ask Congressman Robin Hayes to join me for a Treasury Department presentation. On behalf of Treasury Secretary John Snow, I would like to recognize:

Wachovia Community Development Enterprises: \$150 million

- Jane Henderson, Senior Vice President & Director of Community Development, please join me.
- Wachovia will utilize its NMTC allocation to support its community development financing activities that will include loans and lines of credit for small

businesses, real estate developers and community organizations. They plan to make real estate loans and investments, as well as loans and investments in small businesses, particularly those owned by minorities and women.

Again, Congratulations to Wachovia Community Development Enterprises.

While these awards are aimed at specific local communities, President Bush is also acting to strengthen the economy and create jobs all across America through his Jobs and Growth Plan - Now, you know I can't go back to Washington without mentioning the President's number one domestic priority!

The nation needs quick action by our Congress on a pro-growth economic package. Last week, the Congress passed a budget that provided for \$550 billion in tax relief. The President will work with Congress to get a final jobs and growth package that is at least that size and includes all the elements of tax relief he proposed to grow the economy and create the greatest number of new jobs for American workers.

The President's plan includes:

- Across the board tax rate reductions that would start showing up in every taxpayer's paycheck soon after the plan is enacted;
- Accelerated relief from the marriage penalty for working couples;
- An increase in the child tax credit from \$600 to \$1,000 per child. Families would get that extra \$400 per child in a check mailed to them weeks after the bill is signed.

This is tax relief that Republicans and Democrats in Congress already passed in 2001 and promised for future years. The President believes the time to deliver it is now when it can do the most good for families and businesses. If tax relief is good for Americans three, or five, or seven years from now, it is even better for Americans today.

In North Carolina, more than 2.47 million taxpayers will have lower income tax bills in 2003 under the President's growth package. The President's plan will also allow more than 620,000 business taxpayers in North Carolina alone to use their tax savings to invest in new equipment, hire additional workers, and increase pay.

The President will also push for ending the unfair double tax on dividends. He believes it's fair to tax a company's profits once; but it's unfair to tax that dollar twice when it is paid out to shareholders. Double taxation means that for every dollar of profit a company could pay out in dividends, as little as 40 cents actually reaches American shareholders. Double taxation is wrong, and it falls hardest on seniors, who rely on dividend income for their retirement.

In North Carolina, 840,000 taxpayers will directly benefit from the exclusion of dividends paid from previously-taxed corporate income.

Ending the double tax on dividends will help create new jobs-more than 1/3rd of the new jobs that will result from the President's plan. Experts say it will also give the stock market a much needed boost, benefiting everyone who owns a 401K or other retirement account. More than half of all households today own stock in some form and would benefit.



The President's plan also benefits our nation's small businesses. In a Rose Garden event last week with small business owners, the President spoke of the importance of small businesses to our nation's economy.

The President recognized small business folks (yes, he said "folks," well you know he's from Texas). The President recognized small business as "one of the great strengths of this country: the spirit of free enterprise, the willingness to take risks, the hard work required to move this economy forward."

Small businesses will also benefit under the President's plan, which triples the amount they can write off on the purchase of new equipment such as computers and machinery.

The benefits of the President's growth plan will come from increased consumer spending and, as importantly, from lower income tax rates on the small businesses, themselves.

It is important for our fellow citizens to understand that most small businesses pay their business taxes at the individual rates. Most small businesses are sole proprietorships, or limited partnerships and subchapter S corporations. Small businesses ignite America's job engine.

President Bush will not be satisfied until every American who wants a job can find one; until every business has a chance to grow; and until we create lasting prosperity that reaches every corner of America. I hope you will urge members of Congress-from both parties-to work together to pass the President's plan.

Thank you.