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April 11, 2023

The Honorable Andy Barr
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Barr:

On behalf of ICBA and the nearly 50,000 community bank locations we represent, I write to thank you for introducing the Opportunity Zones Enhancement Act of 2023. Your legislation would create an important incentive for lending in economically distressed communities nationwide.

The Act would provide that interest earned on loans to qualified opportunity zone businesses is not included in taxable income. This interest exemption would reduce borrowing costs for such businesses and would build on the successful tax incentives for equity investment in Opportunity Zones created by the 2017 Tax Cuts and Jobs Act. Together these tax incentives would boost investment and help create jobs and lift living standards in the most economically distressed neighborhoods in the nation.

Further, the Act would help community banks meet their obligations under the Community Reinvestment Act (CRA) to serve the credit needs of underserved communities.

Thank you again for introducing this important legislation. We look forward to working with you to advance it into law.

Sincerely,

/s/

Rebeca Romero Rainey
President & CEO

The Nation's Voice for Community Banks.®

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