



How to Find Out Whether a Property Is Eligible for the Brownfields Tax Incentive

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

Under Section 198(c)(2)(A) of the Taxpayer Relief Act of 1997 (the Brownfields Tax Incentive), a taxpayer may be able to deduct qualified remediation expenses incurred to clean up a property if the property is within any one of four targeted areas.

This fact sheet identifies information sources you may use to determine whether a property falls within any of these targeted areas.

To be eligible for the Brownfields Tax Incentive, properties must be:

- (1) within a 1990 census tract with a poverty rate of 20 percent or more; or
- (2) within a 1990 census tract with a population of less than 2,000, if—
 - (a) more than 75 percent of the tract is zoned for commercial or industrial use, and
 - (b) the tract is next to another census tract(s) with a poverty rate of 20 percent or more; or
- (3) within any federally-designated Empowerment Zone (EZ) or Enterprise Community (EC); or
- (4) within a U.S. Environmental Protection Agency (EPA) Brownfields Pilot project area announced before February 1, 1997.

Sites on EPA's Superfund National Priorities List (NPL) are not eligible for the Brownfields Tax Incentive.

1. HOW TO IDENTIFY 1990 CENSUS TRACTS AND POVERTY RATES

If you know the street address of a property, you can

identify the census tract. This section identifies printed, Internet, and PC-based sources of this information.

A. Printed References

Local Government – Census tract data are often used for local planning purposes, so paper maps and related reference materials will likely be available in the offices of your county or city planning department, development commission, or similar agency.

State Data Centers – In every state, one or more state government agencies, university libraries, or other organizations works with the Census Bureau to provide public access to census data, maps, and related publications. These organizations vary in the levels of assistance they can provide, and some charge fees. For more information, visit <http://www.census.gov/sdc/www/> or call the Census Bureau Customer Liaison Office at (301) 457-1305.

Federal Depository Libraries – Most Federal Depository Libraries (there are approximately 1,400 across the country, with at least one in each Congressional district) have census maps and documents that are generally available for public use. For more information, visit http://www.access.gpo.gov/su_docs/dpos/adpos003.html or call (888) 293-6498.

B. Internet Resources

Census Tract Look-up Tool – The Federal Financial Institutions Examination Council provides an easy-to-use tool for looking up census tract numbers for a

street address or zip code (<http://www.ffiec.gov/geocode/>).

Poverty Rate Reference List – The Census Bureau provides state-by-state lists of census tracts with poverty rates of 20 percent or more (<http://www.census.gov/ftp/pub/housing/tracts/>).

Census Tract Street Locator – The Census Bureau provides an electronic tool (<http://www.census.gov/apsd/www/censtats.html>) to look up census tracts, poverty rates, and other 1990 census data to CenStats™ subscribers (\$40 per quarter or \$125 annually for single users).

Multiple Census References – The Census Bureau provides a consolidated list of resources that includes links to many of the sources listed here (<http://www.census.gov/geo/www/tractez.html/>).

C. PC-Based Resources

LandView® III – The Census Bureau, in cooperation with EPA, developed this CD-ROM product (<http://www.census.gov/mp/www/rom/msrom12h.html>) to map EPA-regulated sites and view various census statistics for the surrounding areas. LandView is useful for identifying tracts because it defines their boundaries and also shows local streets and landmarks. LandView is available from the Census Bureau (\$549 for a set of 11 CDs covering the entire country or \$99 for a single region).

You can download a free abbreviated version of LandView for a single county (<http://www.rtk.net:80/landview/>).

Census Tract Street Index – The Census Bureau sells a set of CD-ROMs and software (<http://www.census.gov/geo/www/tiger/ctsidesc.html>) to look up census tracts (\$90 per CD or \$400 for a complete set covering the entire country).

Community 2020™ – Community 2020 is a full-featured desktop mapping tool developed by the U.S. Department of Housing and Urban Development (HUD) in partnership with Caliper Corporation for use in identifying and mapping geographic and demographic information at the local, state, and national level. Community 2020 includes data on the boundaries of all EZ/ECs as well as state, county, and sub-county

boundaries, highways and streets, and census tracts. Caliper Corporation sells Community 2020 directly as a single regional CD-ROM covering a quadrant of the country (\$249) or as a set of four CD-ROMs covering the entire country (\$299). For more information, visit <http://www.hud.gov/maps.html> or contact Caliper at (800) 998-9999.

2. HOW TO IDENTIFY FEDERALLY-DESIGNATED EZ/ECs

HUD provides an easy-to-use Internet tool to determine whether a street address is within the boundaries of an EZ or EC (<http://www.hud.gov/ezec/locator/>). HUD also provides a list of all EZ/ECs (<http://www.ezec.gov/communit/index.html>).

Community 2020™ (see above) includes a file for mapping all EZ/ECs. Boundaries from this file can be exported for use with other geographic information system (GIS) and desktop mapping software.

3. HOW TO IDENTIFY EPA BROWNFIELDS PILOT AREAS

Only Pilots designated before February 1, 1997 are eligible “target areas.” EPA provides a list of these eligible Pilots (http://www.epa.gov/swerosps/bf/html-doc/list_st.htm).

In addition, only those areas specified by the Pilot at the time the EPA grant was awarded are eligible. You should contact the Pilot coordinator directly to determine whether a property is located in a specified area. EPA provides Pilot contact information at <http://www.epa.gov/swerosps/bf/contacts.htm> or you can call EPA at (202) 260-4039.

4. RELATED INFORMATION SOURCES

A. Commercial/Industrial Use Zoning Information

There is no central national repository of zoning information for commercial- or industrial-use properties. City and county government agencies have zoning commissions that generally regulate zoning matters. The State University of New York at Buffalo sponsors an Internet site that includes a fairly comprehensive list of local planning offices (http://www.arch.buffalo.edu/cgi-bin/pairc/plan_dep). In addition, some states include local

zoning information in their GIS packages. Your designated state agency contact (see below) may be able to provide more information on this and other zoning matters.

B. State Agency Contacts

To take advantage of the Brownfields Tax Incentive, the designated state agency (usually the state department of environmental quality) must certify that the property meets

- (1) the geographic criteria (i.e., one of the four targeted areas); and
- (2) the contamination criteria (i.e., there has been a release or threat of release of a hazardous substance on the property).

Each state has its own documentation requirements for site certification. Taxpayers should contact their designated state agency to learn what type of documentation that state requires. EPA provides contact information for each designated state agency (<http://www.epa.gov/swerosps/bf/contacts.htm>). Certifications are valid for the applicable life of the Brownfields Tax Incentive.

C. EPA's Superfund National Priorities List

Sites on the NPL are not eligible for the Brownfields Tax Incentive. To find out whether a property is on the NPL, you can visit the EPA Superfund web site at <http://www.epa.gov:80/superfund/oerr/imp/ products/npl/npl.htm> or call the RCRA/Superfund Hotline at (800) 424-9346.

Contact

U.S. EPA-OSWER
Outreach and Special Projects Staff
(202) 260-4039

For additional information, contact the RCRA/Superfund Hotline at (800) 424-9346 or visit the EPA Brownfields web site (<http://www.epa.gov/brownfields/>).