



## City of Middletown

Department of Economic & Community Development  
245 deKoven Drive  
Middletown, CT 06457  
860-638-4840

### **2025 Neighborhood Assistance Act**

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#### **About the Program**

The Connecticut Neighborhood Assistance Act (NAA) is a State Tax Credit Program designed to provide funding for municipal and tax exempt organizations by providing a corporation business tax credit for businesses who make cash contributions to these entities.

The types of community programs that may qualify for the NAA tax credit program include, but are not necessarily limited to: energy conservation, employment and training, child care services, neighborhood assistance, substance abuse, open space acquisition, crime prevention programs and affordable housing development.

Businesses can receive a credit of 60% of their approved contribution to certain programs (or 100% in the case of certain energy conservation programs) approved by the Department of Revenue Services.

Any program receiving \$25,000 or more in NAA funding is required to provide a post-project audit prepared by a certified public accounting firm, to the City of Middletown NAA program liaison. For more details on the Post-Project Audit requirements please click [here](#).

The program has several statutory limits, including the following:

- A business is limited to receiving \$150,000 in tax credit annually.
- A non-profit organization is limited to receiving an aggregate of \$150,000 of funding for any program or programs for any fiscal year.
- The minimum contribution on which credit can be granted is \$250.
- The program has a five million dollar cap, which, if exceeded, results in proration of approved donations.

For further information please refer to the Neighborhood Assistance Act Tax Credit Program on the Connecticut Department of Revenue Services [website](#) as the city's role is primarily administrative.

#### **Application Process**

##### **Step 1**

##### **Civic Organization Application (sent to Municipality)**

- Applications can be submitted either in paper or via email and are due by the close of Business on **May 8<sup>th</sup> 2025**. Paper applications should be either mailed or delivered directly to the Development Office, Room 202, at City Hall. Email applications must be sent to [brian.gartner@middletownct.gov](mailto:brian.gartner@middletownct.gov). Please call 860-638-4840 to ensure your application has been received.



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- After a Public hearing to be held in June, the City Council will review and approve applications. The Development Office will submit the applications to the CT Department of Revenue Services (by July 1<sup>st</sup>).
- The Department of Revenue Services will post on their website the list of approved applicants for companies to review as potential community programs to make a contribution towards.

Applicant Organizations are welcomed to reach out to companies to let them know they will be submitting an application that companies can sponsor and encourage them to submit Form NAA-02 when it becomes available on [CT Department of Revenue Services](#) website between September 15<sup>th</sup> and October 1<sup>st</sup>.

### Step 2

#### **Sponsor Company Application (sent to CT Department of Revenue Services)**

- Companies wishing to sponsor a community program will have to fill out and electronically submit Forms NAA-02 through the DRS website for each program it wishes to sponsor between September 15<sup>th</sup> and October 1<sup>st</sup>. No earlier and no later.
- Later in the fall, CT Department of Revenue Services will notify municipalities of the applications that received company sponsors. At that point, municipalities are asked to notify the organizations directly.

If companies would like to learn more about the Neighborhood Assistance Act, they should visit the [CT Department of Revenue Services' website](#).