

## **Qualified Opportunity Zones**

Presented by

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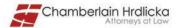


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#### Qualified Opportunity Zones - Background

- Created under the Tax Cuts and Jobs Act of 2017
- New Internal Revenue Code Sections 1400Z-1 and 1400Z-2
- Designed to encourage long-term capital investment in areas designated as Qualified Opportunity Zones ("QOZs")
- Economic development tool designed to spur economic growth in economically distressed communities
- **Significant New Tax Incentives**
- Regulations

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#### Overview of Opportunity Zone Program



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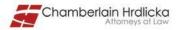


### Qualified Opportunity Zones – News

- Forbes "An Unlikely Group of Billionaires and Politicians Has Created the Most Unbelievable Tax Break Ever"
- Wall Street Journal "Developers Look to Hit Tax-Break 'Jackpot' in Opportunity Zones"
- New York Times "Distressed Areas Lure Wall Street with Tax Breaks"
  - Funds are Raising "Billions"

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## **Qualified Opportunity Zones**

- 1400Z-1: QOZ areas are designated census tract areas in all 50 states, plus DC, Puerto Rico, and the Virgin Islands
- Areas meet the definition of "low income community" under 45(D)(e) (new markets tax credit)
  - Low income does not necessary mean economically disadvantaged
- Nominated by Governors and certified by Treasury
- 8,761 certified QOZs
- 60% urban and suburban; 40% rural
- Represents approximately 11% of the US

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#### Title search: Qualified Opportunity Zones

Also available as part of the eCourse

<u>Continued Impacts of the Tax Cuts and Jobs Act (TCJA)</u>

First appeared as part of the conference materials for the 67<sup>th</sup> Annual Taxation Conference session "Qualified Opportunity Zones"