

## **Qualified Opportunity Zones**

Presented by

Katherine Noll

Shareholder, Chamberlain Hrdlicka

December 5, 2019

1 <u>ChamberlainLaw.com</u>

1

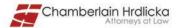


# (210) 278-5804

#### Katherine.Noll@chamberlainlaw.com

Chamberlain Hrdlicka White Williams & Aughtry, P.C. 112 East Pecan Street, Suite 1450 San Antonio, TX 78205

ChamberlainLaw.com



#### 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

ChamberlainLaw.com

3



#### Overview of Opportunity Zone Program



ChamberlainLaw.com

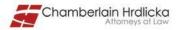


### Qualified Opportunity Zones – News

- 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"

ChamberlainLaw.com

5



## **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

ChamberlainLaw.com





Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the <u>UT Law CLE eLibrary (utcle.org/elibrary)</u>

#### Title search: Qualified Opportunity Zones

Also available as part of the eCourse 2019 Taxation eConference

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