

Qualified Opportunity Zones

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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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Also available as part of the eCourse

[Continued Impacts of the Tax Cuts and Jobs Act \(TCJA\)](#)

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