

Opportunity Zones

The Tax Cuts and Jobs Act of 2017 introduced the Investing in Opportunity Act, which established Opportunity Zones and Opportunity Funds. Opportunity Zones are census tracts that have been designated as “low-income” as defined by the US Internal Revenue Code Section 45D(e). Investors who invest in Opportunity Zones through Opportunity Funds will qualify for capital gains tax incentives.

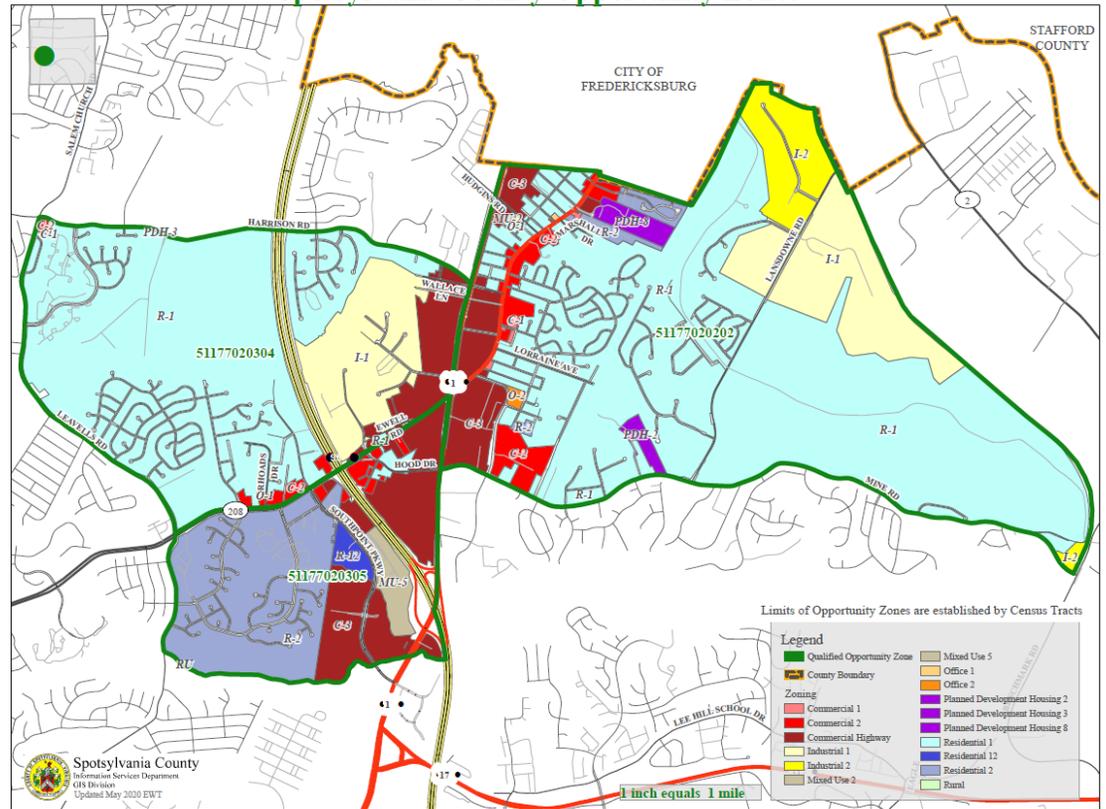
How it works

To access tax benefits, investors must invest in Opportunity Zones specifically through Opportunity Funds. A qualified Opportunity Fund is a US partnership or corporation that intends to invest at least 90% of its holdings in one or more qualified Opportunity Zones.

There are restrictions on the types of investments in which an Opportunity Fund can invest. These investments are called “Qualified Opportunity Zone property,” which is defined as any one of the following:

- Partnership interests in businesses that operate in a qualified Opportunity Zone.
- Stock ownership in businesses that conduct most or all of their operations within a qualified Opportunity Zone.
- Property such as real estate located within a qualified Opportunity Zone.

Spotsylvania County Opportunity Zones



Tax Advantages

Investors can receive substantial capital gain tax incentives immediately and over the long term.

If an investor reinvests a qualifying capital gain into an Opportunity Fund, they can defer and reduce their tax liability on that gain.

Additionally, investors may be able to receive tax free treatment on future appreciation earned through the Opportunity Fund.

For more information about Spotsylvania County Opportunity Zones, visit Spotsylvania.org or call us at 540-507-7210