

Opportunity Zone OPPORTUNITY!

- Recent Tax Act created Opportunity Zones that are designed to spur economic development by providing tax benefits to investors.
- Taxpayers can defer capital gains tax otherwise due on sale or disposition of appreciated real estate or stock if the capital gain is reinvested within 180 days in a Qualified Opportunity Fund.
- If the investment in the QOF is held by the taxpayer for:
 - At least five years, the basis on the original gain is increased by 10% of the original gain;
 - At least seven years, the basis on the original gain is increased by an additional 5% of the original gain; and
 - At least ten years, there is a permanent exclusion of capital gains tax on the qualified OZ portion of the investment when sold or disposed.
- You need to invest in a Qualified Opportunity Fund, which is an investment vehicle that is set up as either a partnership, corporation or LLC for investing in eligible property that is located in an Opportunity Zone.
- To become a Qualified Opportunity Fund, an eligible *taxpayer self certifies*. (Thus, no approval or action by the IRS is required.)

Downtown Napa is an Opportunity Zone

