

Understanding
Opportunity
Zones



**OPPORTUNITY
AHEAD**



Opportunity Zones

A new national community investment program that connects private capital with low-income communities across America

LOCAL LEADERSHIP IS KEY FOR SUCCESSFUL OPPORTUNITY ZONES

Opportunity Zones are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities nationwide. The Opportunity Zones

Opportunity Zones Fact Sheet

Figure 1. Incentives Offered by the Opportunity Zones Program

How does a capital gain of \$100 reinvested in 2018 perform over time?



* Note: Assumes long-term federal capital gains tax rate of 23.8%, no state income tax, and annual appreciation of 7% for both the O-Fund and alternative investment.



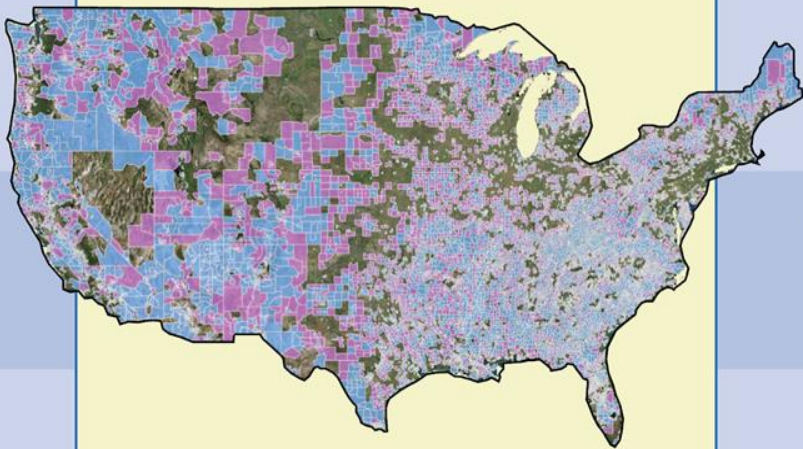
Temporary
Deferral



Step-Up
In Basis



Permanent
Exclusion



Understanding **OPPORTUNITY ZONES**

Congress has created a new tax incentive designed to drive long-term capital to distressed communities.



Opportunity Zones are distressed census tracts that meet eligibility requirements.

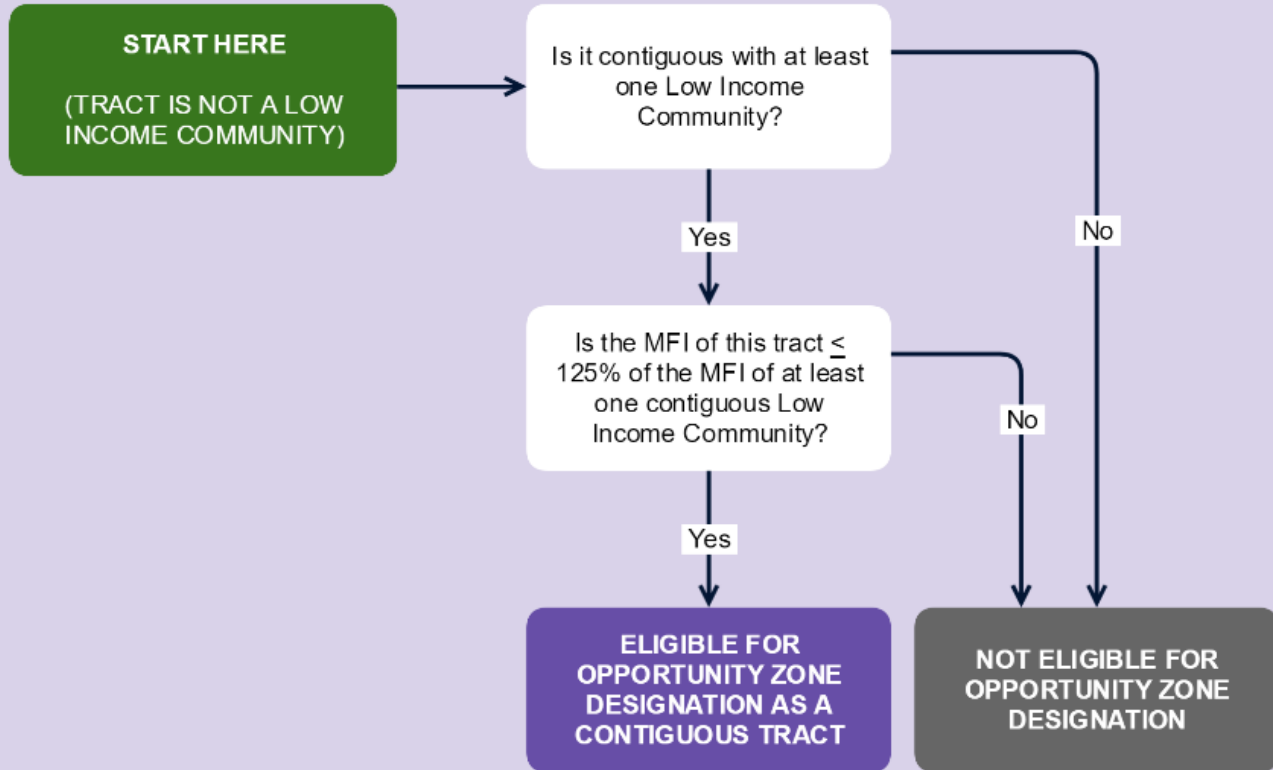
Treasury will certify Opportunity Funds to make investments in Opportunity Zones.

Investors receive tax benefits for placing unrealized capital gains into Opportunity Funds.

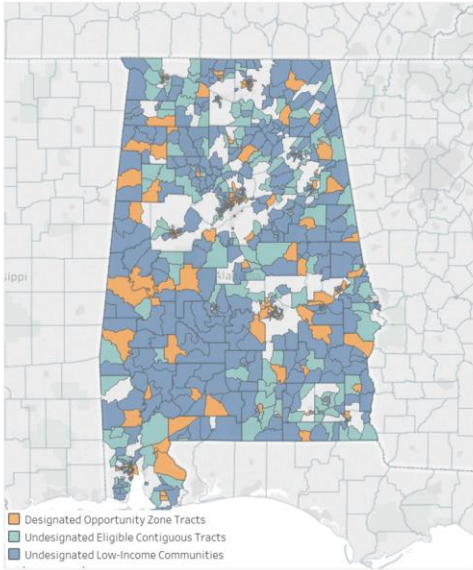
Governors will nominate census tracts eligible for investment by **March 21**.

Look to Enterprise and Economic Innovation Group for more information.

Is this Tract Eligible for Designation as an Opportunity Zone Because It Is Contiguous With a Low Income Community?



Opportunity Zone Eligibility Tool



Maximum Tract Designations, Based on CDFI Fund Determination:

ALABAMA 158

Filtered Tracts:

Designated Opportunity Zone Tracts 158
Undesignated Eligible Contiguous Tracts 170
Undesignated Low-Income Communities 521

Select State: ALABAMA
 County: (All)
 Rural or Urban: (All)
 Opportunity Zone Designation: (Multiple values)
 Intersects Tribal Tract(s): (All)
 Safe Harbor Status: (All)

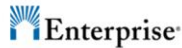
Federal Place-Based Program Filters

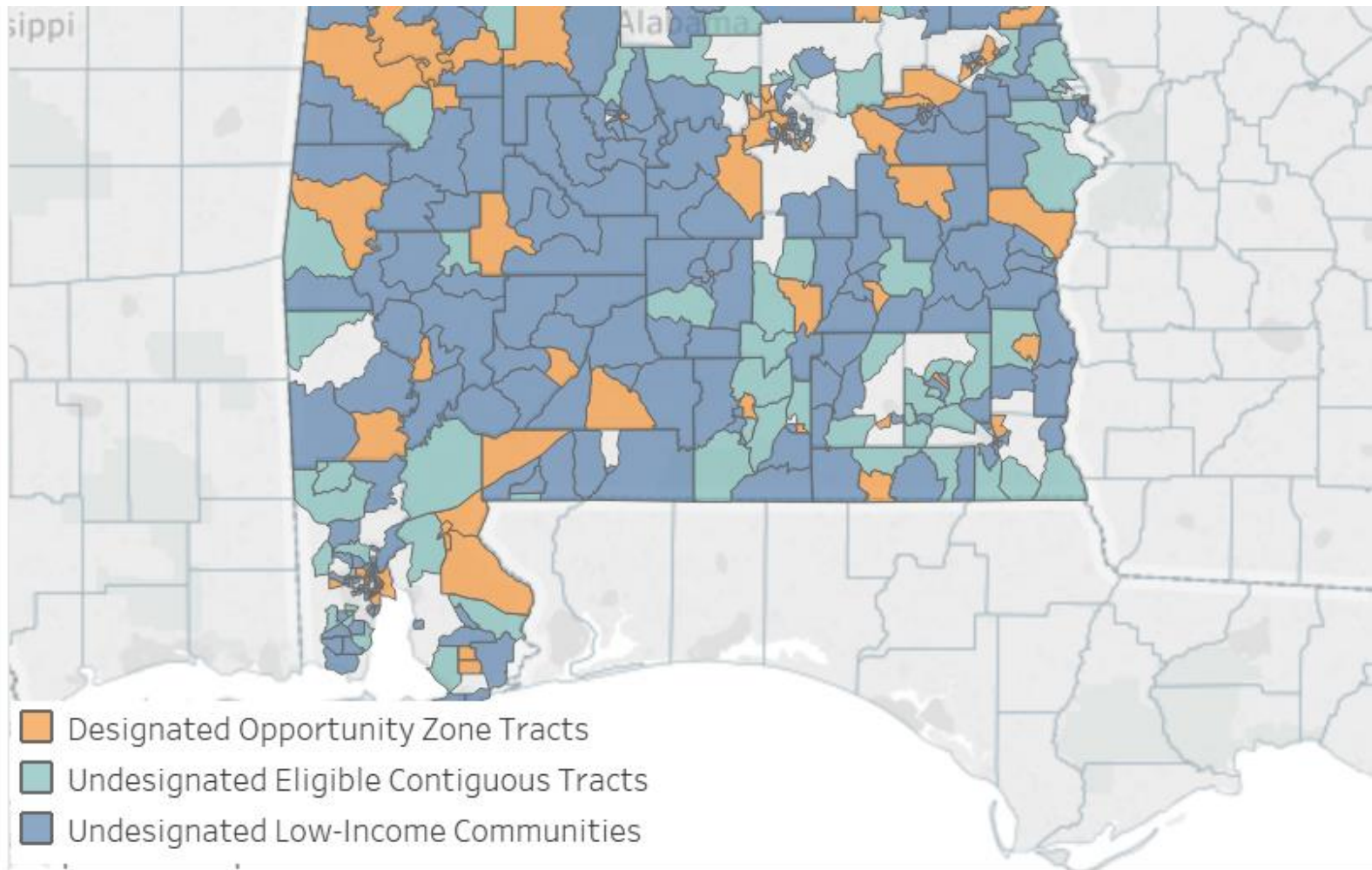
Includes NMTC Investments(s): (All)
 Includes Empowerment Zones(s): (All)
 Intersects Promise Zones(s): (All)
 Qualified Census Tract: (All)
 Includes Section 538 project(s): (All)
 Intersects Choice Neighborhoods(...): (All)
 Includes CDBG Project(s): (All)
 Includes Sect. 514 or 515 project(s): (All)



Enterprise Community Partners - Opportunity360 Filters

Housing Stability Score: 0.0 — 100.0
 Education Score: 0.0 — 100.0
 Mobility Score: 0.0 — 100.0
 Economic Security Score: 0.0 — 100.0
 Health Score: 0.0 — 100.0







Opportunity Zones for Broadband Investments