

October 22, 2018

# IRS and Treasury Release New Opportunity Zone Regulations

The U.S. Department of the Treasury and Internal Revenue Service issued the long awaited regulations and published guidance for the new Opportunity Zone tax incentive on Friday, October 19th. Foster Pepper PLLC is now working with clients to amend Qualified Opportunity Fund (QOF) documents to match those regulations, copies of which are attached to this e-mail.

Opportunity Zones were created by the 2017 Tax Cuts and Jobs Act, and were designed to spur investment in distressed communities throughout the country through tax benefits where investors may defer tax on capital gain up to December 31, 2026 by making an appropriate investment through a QOF in accordance with certain requirements. For a list of eligible Opportunity Zones, please visit the [State of Washington Department of Commerce](#) website.

Additional documents for reference include:

- [Department of Treasury Regulation 115420-18](#)
- IRS Press Release, "[Treasury, IRS issue proposed regulations on new Opportunity Zone tax incentive](#)," October 19, 2018
- [Tax Cuts and Jobs Act, Conference Report](#), Section 13823, Opportunity Zones
- [Individual Tax Reform and Alternative Minimum Tax](#), Section 13823, Opportunity Zones

If you have questions regarding the new Opportunity Zones, please contact any member of our [Real Estate](#) or [Senior & Affordable Housing](#) practices.

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