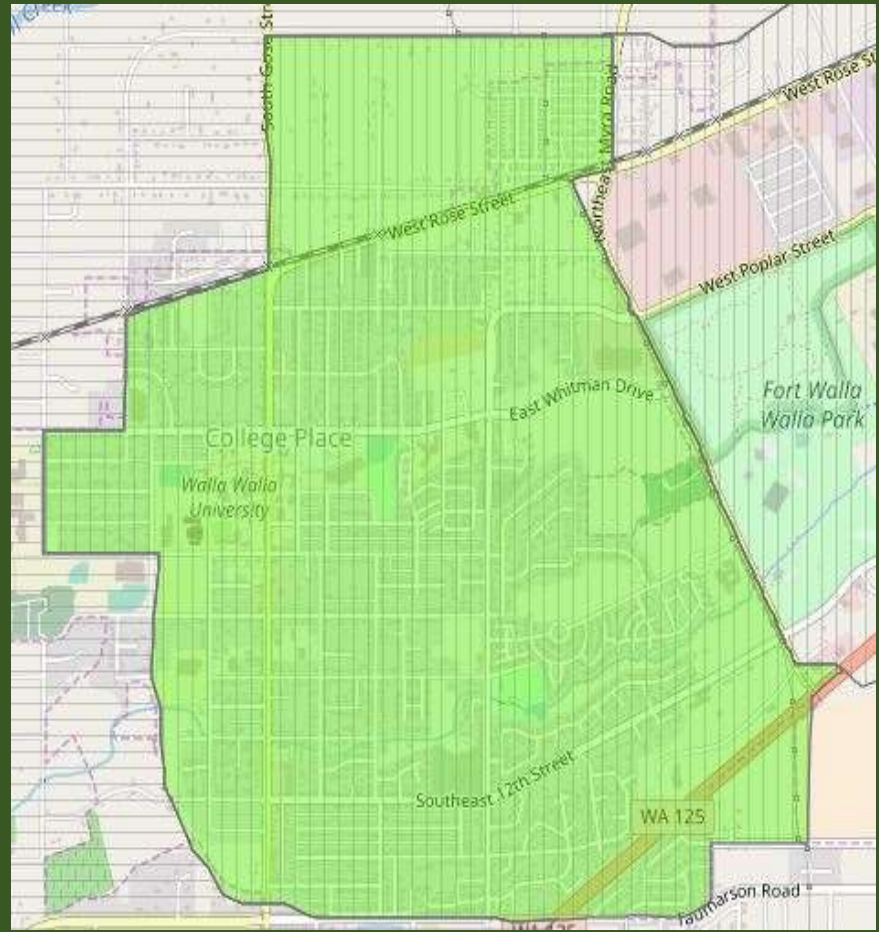




## Map of Opportunity Zone (Census Tract #920300)



# Opportunity Zone

The Opportunity Zone program was created as part of the 2017 Federal Tax Cuts and Jobs Act. It was designed to drive long-term capital to distressed communities by providing tax benefits. The program reduces and temporarily defers federal taxes on the proceeds of selling capital in exchange for providing equity investments in small businesses and real estate in distressed communities

### Overview

- Innovative approach to drive investment into low-income urban and rural communities in all states.
- Investments need to occur in Tract #920300
  - North boundary – Electric Avenue
  - South boundary – Lamperti St/Tamaurson Rd
  - East boundary – Myra Rd
  - West boundary – Academy Way/Davis St
- Temporary Deferral of Capital Gains Taxes until you exit an Opportunity Fund or December 31<sup>st</sup>, 2026, whichever comes first.
- Step Up in Basis Years 5 and 7: Opportunity Fund investments at reduced rates:
  - 90% for investments held at least 5 years (10% basis increase)
  - 85% for investments held at least 7 years (15% basis increase)
- Tax-Free Earnings after Year 10: Gains accrued during the Opportunity Fund investments held for 10 years will not be taxed (permanent exclusion from taxable income).

### For More Information

Mike Rizzitiello – City Administrator

Phone: 509-394-8506 / Email: [mrizzitiello@cpwa.us](mailto:mrizzitiello@cpwa.us)

Website: <http://www.cpwa.us/businesses/index.php>