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NOVOGRADAC WELCOMES ADDITIONAL OPPORTUNITY ZONES GUIDANCE
CPA Firm's Managing Partner Says Clarifying Guidance Will Unleash Capital into Communities in Need

SAN FRANCISCO—Wednesday's release of the second tranche of momentous Treasury Department tax-related guidance for opportunity zones (OZ) was welcomed as an important clarifying step for the new community development incentive by Michael J. Novogradac, CPA and managing partner of Novogradac, national professional services organization that consists of affiliates and divisions providing professional services that include certified public accounting, valuation and consulting.

Treasury released the highly anticipated guidance for the incentive, which was part of the tax reform legislation passed in 2017. The OZ incentive allows investors to defer paying taxes on gains that they invest in opportunity funds, which then invest in low- income areas designated as qualified OZs.

"This release provides much needed clarifying guidance for investments in operating businesses and opportunity fund operations, which will accelerate equity investment in opportunity zones," said Novogradac. "These regulations address a number of gating issues that were limiting OZ-incented investment in operating businesses, and provides added tax clarity to the start-up, operation and wind-down of a qualified opportunity fund. Now that the OZ community has actionable clarity on significant tax issues more capital for equity investments will be unleashed in opportunity zone businesses and opportunity zone business property."

Novogradac OZ Resources

To assist the development community to understand and begin using this new incentive, Novogradac published the first installment of a two-part Notes from Novogradac blog post on the second tranche of OZ guidance. Novogradac & Company LLP will host the Novogradac 2019 Opportunity Zones Spring Conference in Denver, April 25-26. Another opportunity zones conference will be in Chicago, Oct. 24-25. In addition, Novogradac will host a webinar in mid-May on the new OZ guidance. Novogradac also provides OZ news, analysis and other information at www.opportunityzonesresourcecenter.com and in the Novogradac Journal of Tax Credits. Visit www.novoco.com for more information.

About Novogradac & Company

Novogradac began operations in 1989 and has grown to more than 600 employees and partners with offices in 27 cities. Tax, audit and consulting specialty practice areas for Novogradac include affordable housing, opportunity zones, community development, historic rehabilitation and renewable energy.

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