

Opportunity Zones Program

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For Businesses and
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The Opportunity Zone Program

What the Program is: The Opportunity Zone Program is a federal program and aims to foster economic development and job creation in economically distressed communities. It was created by the Federal Tax Cuts and Jobs Act of 2017 to encourage businesses, developers and financial institutions to invest long-term capital in low-income census tract areas. These areas were designated as Qualified Opportunity Zones by the U.S. Department of Treasury in June 2018. Treasury has approved 8,760 Qualified Opportunity Zones, which are in all 50 states, five territories and the District of Columbia.

What the Program is not: The Opportunity Zone Program is not a residential program for home buyers, sellers or owners. It does NOT include tax incentives or rebates for homeowners who live within Opportunity Zones.

FloridaCommerce does *not* track individual properties bought or for sale within zones. This is a federal and not a state of Florida program.

How it Works. Investments are made in Opportunity Zones through U.S. Treasury Qualified Opportunity Zone Funds, which must invest over 90 percent of their assets in Qualified Opportunity Zone properties and businesses. Qualified Opportunity Zone Funds attract investors through possible tax benefits. Tax benefits can accrue once unrealized capital gains from other investments are rolled into Qualified Opportunity Zone Funds.

Three tax benefits. The Opportunity Zone Program provides three tax benefits for investing unrealized capital gains in Opportunity Zones and investors can take advantage of one or more of the benefits.

✓ **Temporary deferral of taxes on previously earned capital gains** Investors can place existing assets with accumulated capital gains into Opportunity Zone Funds. Those existing capital gains are not taxed until the end of 2026 or when the asset is disposed of.

✓ **Basis step-up of previously earned capital gains invested.** For capital gains placed in Opportunity Funds for at least 5 years, investors' basis on the original investment increases by 10 percent. If invested for at least 7 years, investors' basis on the original investment increases by 15 percent.

✓ **Permanent exclusion of taxable income on new gains.** For investments held for at least 10 years, investors pay no taxes on any capital gains produced through their investment in Opportunity Zone Funds.

Florida Opportunity Zones

A total of 427 Qualified Opportunity Zones are designated in Florida and located in every county in the state, stretching from the Panhandle through the Keys. Governors could nominate up to 25 percent of their state's eligible tracts to receive the designation. The nomination process in Florida included reviewing over 1,200 recommendations submitted by local governments, regional planning councils, nonprofits, developers, investors and others. Final nominations were based on a comprehensive review and detailed statistical analysis of relevant population, poverty and unemployment rates and other economic indicators.

Maps

arcGIS
ESRI

Opportunity DB

[View a list of Florida Opportunity Zones by County](#)

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Helpful Links

[Primary OZ Website at IRS](#)

[IRS FAQs](#)

[Form and Instructions](#)

[U.S. Department of the Treasury Community Development Financial Institutions Fund \(CDFI\)](#)

These lists should not be construed as the giving of advice, the making of a recommendation, a guaranty of any type, or any sort of basis for making an investment decision.