

THE OPPORTUNITY ZONE INVESTING CHEAT SHEET



CAPITAL GAIN EVENT

The Investor has an **eligible gain event**. This can be a capital gain or 1231 gain from the sale of nearly any type of asset, including private business, stocks, bonds, mutual funds, ETFs, real estate, collectibles, crypto assets, and more.

QUALIFIED OPPORTUNITY FUND INVESTMENT

The Investor timely re-invests some or all of the eligible gain into a **Qualified Opportunity Fund (QOF)** within 180 days of recognition. (If the gain is recognized on a partnership K-1, the Investor may have until the following September to invest.)

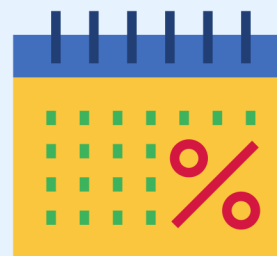


CAPITAL DEPLOYMENT TO OPPORTUNITY ZONES

The Qualified Opportunity Fund invests in Qualified Opportunity Zone Property (QOZP), which can be real estate or operating business, injecting capital into one or more of 8,764 census tracts designated as **Opportunity Zones** throughout the country.

TAX DEFERRAL OF ORIGINAL GAIN

Meanwhile, the Investor is able to **defer** recognition of the initial capital gain until December 31, 2026. The tax liability on the re-invested gain amount is not due until April 2027, essentially an interest-free loan from the federal government.



UNLIMITED TAX-FREE GROWTH OF OPPORTUNITY ZONE INVESTMENT

After holding the Qualified Opportunity Fund investment for a minimum of 10 years, the Investor's capital gains tax liability on the OZ investment is completely eliminated. The Investor pays **no tax** on any capital appreciation of the investment at disposition.