

# FEDERAL OPPORTUNITY ZONE PROGRAM



## What are Opportunity Zones?

Qualified Opportunity Zones are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017. This program encourages new, long-term investment in property or businesses in specific areas through the use of special federal tax incentives. To take advantage of the program, investors must reinvest new capital gains into Qualified Opportunity Funds which are spent in Qualified Opportunity Zones.

## What are Capital Gains?

A capital gain occurs when a company or individual sells something for more than it was purchased. Just about everything a company owns qualifies as a capital asset that could create a capital gain, whether it is an investment, such as stocks, or property that was purchased for company use.

## How do investors invest in an Opportunity Zone? And what are Qualified Opportunity Funds?

Investments in Opportunity Zones must be made through Qualified Opportunity Funds. There are very few limitations on what kinds of organizations can create and manage an Opportunity Fund, though it must be created as either a partnership or a corporation, and the Fund must be established and managed according to regulations created by the United States Department of Treasury.

## Are there Qualified Opportunity Zones in Union County?

Yes. In Union County, Census Tract 505 has been designated by the Department of Treasury as a Federal Opportunity Zone. Census Tract 505 is located in central Union County and includes portions of the City of Marysville and Paris Township. *Please refer to the map on the reverse of this document.*

## How do Qualified Opportunity Funds benefit Opportunity Zones?

At least 90% of the money placed in Qualified Opportunity Funds must be spent within Opportunity Zones. Investments can be made in operating businesses, equipment, and real estate.

The Funds will not provide direct grants but could provide repayable loans or equity investments to projects located in a Zone. Funds have the potential to direct financing to specific geographic areas.

## What does the Opportunity Zone Program mean for Business and Property Owners?

**As a Business Owner:** If you are a business owner currently in an Opportunity Zone or thinking about relocating to one, the program provides two major benefits:

1. **Attracting Investors:** Your location offers potential investors significant tax incentives for investing in your business through Qualified Opportunity Funds, for example, as a repayable loan to purchase new machinery or a long-term equity investment for a share of your business. Whether you chose to set up a Fund, talk to existing investors, or approach other Funds, the program increases the marketability of your business to attract new capital.
2. **Investing in Yourself:** If, as a business owner, you or your company has new capital gains, the program and Qualified Opportunity Funds provide a chance to earn the federal tax incentives while making needed investments in your business.

**As a Property Owner:** If you are a property owner currently in an Opportunity Zone, the program increases the marketability of your property.

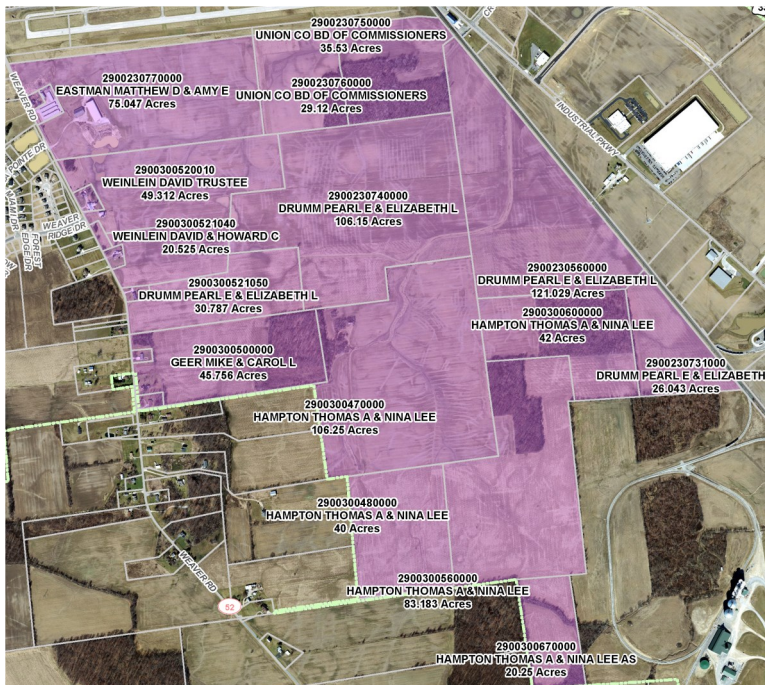
Whether it is an investor looking to purchase your house or land, or a business interested in leasing space in your building, this program offers significant benefits you should be aware of:

1. **Investors:** For the person or company looking to purchase your property, they are able to gain the federal tax benefits by making the purchase through a Qualified Opportunity Fund, increasing the value of the investment in your property.
2. **Tenants:** For the business interested in leasing space from you, they are able to attract and make investments from Funds due to their location in an Opportunity Zone, increasing the marketability of their business.

## Additional Information:

For more information about the Federal Opportunity Zone Program, please visit:  
[www.cdfifund.gov/Pages/Opportunity-Zones.aspx](http://www.cdfifund.gov/Pages/Opportunity-Zones.aspx)  
or [www.unioncounty.org/oz](http://www.unioncounty.org/oz).





## ZONE PROFILE

Name	Census Tract 505
County	Union County
State	Ohio
Area (square miles)	8.28
Land Area (square miles)	8.19
Water Area (square miles)	0.08
Total Population	5,278
Total Housing Units	2,547
Total Households	2,273
Median Age	37.6
Vacant MFG Land (acres)	830.9