State legislatures across the country are responding to the recently enacted federal opportunity zone provisions in a variety of ways that could provide significant state tax benefits.

Created as part of the Tax Cuts and Jobs Act of 2017, these new provisions of the Internal Revenue Code are designed to promote growth in low-income communities — designated as opportunity zones — by offering investors the ability to defer, and potentially reduce gains, from selling appreciated property located in opportunity zones.

In their article for Law360, Eversheds Sutherland attorneys Jeff Friedman, Maria Todorova and Dennis Jansen provide an overview of recent approaches taken by four states with regard to opportunity zone investments.
4 State Responses To Opportunity Zones continued