

# **Bond Case Briefs**

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## **In Opportunity Zones, Good Things Come to Those Who Hustle.**

An important milestone in America's economic recovery was reached last month when the Treasury Department approved the last round of Opportunity Zone designations.

The Tax Cuts and Jobs Act of 2017 created a new financial product called "Opportunity Funds," which allow investors to defer and reduce their capital gains tax bills in exchange for investing in projects located in economically distressed areas referred to as Opportunity Zones.

An initial review of the 8,700 designated Opportunity Zones reveals just how far removed these communities are from the national economic recovery. The average unemployment rate is a stubbornly high 14.4 percent. These communities typically have 38 percent of prime age adults out of the workforce — nearly 10 points higher than the country as a whole. Median household income is lower, and these areas are twice as likely as other communities to be located in a county where (at the very least) 20 percent of the population has been living below the poverty line for 30 years.

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