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Rep. Meadows Introduces Bill to Extend the ‘Opportunity Zones’ Policy.

Washington, D.C. – This week, Rep. Mark Meadows (R-NC) introduced H.R. 6890, the Creating Advancement and Personal Improvement in Targeted American Localities (CAPITAL) Act of 2018.

The Tax Cuts and Jobs Act of 2017 included a provision implementing a new mechanism called “Opportunity Funds.” Opportunity Funds allow investors to defer and reduce their capital gains tax bills in exchange for investing in projects located in economically disadvantaged areas, known as “Opportunity Zones,” designated by the Department of the Treasury. These distressed areas typically have an unemployment rate of about 14%, a lower than average median household income, are usually located in counties where 20 percent (or more) of the population has been living below the poverty line for 30 years.

Opportunity Zones are a powerful provision enacted in the tax cuts law that creates an incentive for Americans to invest in less-fortunate communities. However, current law allows designations to expire after 10 years. Meadows’ bill, H.R. 6890, would allow for the designation of new opportunity zones every 10 years, allowing the policy’s benefits to build and compound rather than expire.

Opportunity Funds benefit the state of North Carolina directly. On May 18 of this year, the Treasury Department certified 252 areas in NC as official Opportunity Zones, with more than 450 unique North Carolina census tracts identified for further review. This is a major catalyst for economic development and increased opportunity for under-privileged residents and families.

Rep. Meadows released the following statement:

“The Opportunity Zones policy embodies principles the government ought to support: the encouragement of communities to band together and use market forces and private investment to help fellow citizens and rebuild middle-America, particularly economically depressed areas. Opportunity Zones are tremendous market-drivers that achieve real investment for areas in need, including for my home state of North Carolina, with over well 200 areas directly benefiting. This is a policy we need to extend and make permanent. When we encourage the private sector to invest, the benefits are tremendous. I’m proud to introduce this bill and look forward to working with my colleagues on a bipartisan basis to extend the policy for the future.”

To read the bill, [click here](#).

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