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The Week in Public Finance: The Tax Reform Program Many Hope Will Revive Distressed Communities.

Previous federal programs to incentivize investment in low-income areas haven't worked. Some are betting this will.

For decades, the feds have experimented with ways to incentivize investment in the nation's most distressed communities. Be it empowerment zones in the 1990s or the New Markets Tax Credit in 2000, each effort has tried, but generally failed to combat uneven patterns of economic development across the country.

Now, some say a new program created as part of the federal tax overhaul in December could succeed where the others have faltered.

So-called opportunity zones allow investors to defer their tax liability by investing equity into different assets within a distressed community. It has the potential, says Urban Institute expert Brett Theodos, to be the largest community economic development program in the nation. (Currently, that status belongs to the \$3.3 billion Community Development Block Grant program.)

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