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Is Your Real Estate Wholesaling Business Embracing Opportunity Zones?

Despite temporary setbacks, wholesalers and investors shouldn't be so quick to overlook opportunity zone properties. Investors, specifically, can make use of any assets they've been sitting on, getting more bang for their buck without shouldering a tax burden or penalty. And being open to canvassing these zones for potential deals creates a palpable ripple effect.

The Tax Cuts and Jobs Act of 2017 opened up real estate wholesaling and investment opportunities more than two years ago, but it remains relatively unknown. The legislation establishes opportunity zones where investors can put investment returns from outside investments into properties instead of paying capital gains taxes on them — as long as they do so within 180 days of cashing in the outside investment.

According to researchers from the Economic Innovation Group, more than \$6 trillion could be freed up to purchase real estate in these zones because of the act. But even wholesalers and investors who learn more about their choices with opportunity zones can be reluctant to jump in headfirst. What are their main concerns? For some, finding properties in designated zones seems tough. And even those who know of properties may worry that the risks will outweigh the potential benefits.

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Born2Invest

By David Lecko

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