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Bill Would Give Opportunity Zone Treatment to Small Businesses Hit by Virus.

Legislation introduced in the House would temporarily classify some small businesses harmed by the coronavirus pandemic as qualified Opportunity Zone businesses.

The [COVID-19-Impacted Small Business Opportunity Zone Act](#), introduced April 16 by Reps. John R. Curtis, R-Utah, and Henry Cuellar, D-Texas, would extend the Opportunity Zones deferral of taxes on capital gains to investments in small businesses that have been negatively affected by the crisis.

The classification as qualified Opportunity Zone businesses would encourage private investment in those entities “by providing their investors with similar tax incentives to Opportunity Zones,” said Curtis in a release.

The bill is aimed at small businesses that have experienced supply chain disruptions, staffing challenges, a decrease in sales or customers, or full or partial suspension of business as a result of the spread of COVID-19 or the public and government response to it.

The Opportunity Zone program, created by the Tax Cuts and Jobs Act, allows investors to defer tax on prior gains invested in a qualified opportunity fund until the earlier of the date on which the investment is sold or exchanged or until December 31, 2026.

Rep. Denver Riggleman, R-Va., introduced a bill (H.R. 6513) April 14 that would extend the Opportunity Zone program through 2030.

Even without federal legislation, states may be delaying some deadlines related to Opportunity Zone investments as a result of declaring emergencies as a response to the pandemic.

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