Proskauer

IRS and Treasury Issue Proposed Opportunity Zone Regulations

October 22, 2018

On October 19, 2018, the Internal Revenue Service and the U.S. Department of the Treasury issued proposed regulations under section 1400Z-2 of the Internal Revenue Code regarding the qualified opportunity zone program, which was enacted as part of the law commonly referred to as the "Tax Cuts and Jobs Act."

The proposed regulations answer the most pressing questions with mostly taxpayer-friendly answers. However, some important questions remain unanswered and additional proposed regulations are expected to be issued in the near future.

The proposed regulations generally are to be effective on or after the date of publication of final regulations. Nevertheless, taxpayers and opportunity funds may rely on a number of rules in the proposed regulations, so long as the taxpayer and/or the opportunity fund applies the proposed regulations in their entirety and in a consistent manner.

In this article, *IRS and Treasury Issue Proposed Opportunity Zone Regulations*, we summarize some of the most significant provisions of the proposed regulations, give an overview of the opportunity zone program, and discuss outstanding issues.

Related Professionals

- **David S. Miller**
  Partner
- **Jean M. Bertrand**
  Partner
- **Martin T. Hamilton**
  Partner
- **Malcolm S. Hochenberg**
  Partner
- **Amanda H. Nussbaum**

Partner

- **Jamiel E. Poindexter**
  Partner