

OPPORTUNITY ZONES

EPIC Companies currently has several projects located within federally approved Opportunity Zones. The Opportunity Zone program was established by Congress as part of the Tax Cut and Jobs Act of 2017 to encourage long-term investments in economically distressed communities nationwide. It allows taxpayers to defer capital gains by reinvesting proceeds in qualified investments located in qualified Opportunity Zones.

HOW THE PROGRAM WORKS

In order to take advantage of the Opportunity Zone program, participants need to invest in a Qualified Opportunity Zone Fund (QOF). A QOF is any investment vehicle organized as a domestic corporation or partnership for the purpose of investing in a Qualified Opportunity Zone (QOZ) property. Any capital gain held by the program participants prior to December 31, 2026 can be deferred to the extent the gain is reinvested in a QOF.

Program Specifics

Participants in the program do not have to live, work, or have a business in the Opportunity Zone. Generally, participants just need to invest in a Qualified Opportunity Zone Fund within 180 days of realizing gains from a sale or exchange (special rules apply to flow-through entities and for 1231 gains).

Additional Program Details:

- You can self-certify your own Opportunity Fund;
- The Fund can be set up as a partnership or corporation;
- The Opportunity Fund must have 90% of its assets in Opportunity Zones;
- Recognized gain treated as capital gain for tax purposes is eligible to be deferred;
- Holding the investment for 5 years** allows a basis increase of 10% of deferred gain;
- Deferral period ends on December 31, 2026, when the tax will become due; and
- If held for 10 years, an election can be made to step basis in the property up to fair market value at the time for sale

Disclaimer: Information is for educational purposes only and may not be relied upon as, tax, legal, investment or other advice. Investments are not FDIC Insured and are subject to risk, including the loss of principal. Investors to meet IRS accreditation guidelines. Projections are subject to change as the project develops. ** Prior to the end of the deferral period. *Investors to meet IRS accreditation guidelines. Investing is limited to accredited investors.



EC EPIC
COMPANIES

Investment • Development • Management

701.866.1006
EPICCompaniesND.com

