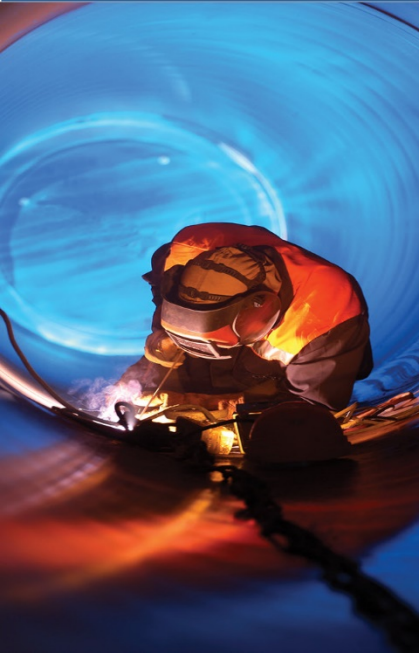


OKLAHOMA
DEPARTMENT OF COMMERCE

Federal Opportunity Zones





THE STATE OF
SUCCESS

Oklahoma Department of Commerce

Our overarching mission is to create an environment where growth can happen in our state.

- We work to attract new businesses to Oklahoma
- We work with existing businesses to help them grow and thrive
- We deliver Community Development programs that help local communities prepare for growth
- We strive to provide world-class data and analytics



HOW TO INVEST



The investment capital for Opportunity Zone projects or businesses comes primarily from the unrealized capital gains of U.S. taxpayers that result when the value of their assets (land, equity shares, artwork, etc.) increases. Generally, when an appreciated asset is sold, an income tax liability is generated on the realized capital gain. However, the OZ program allows investors to defer this tax liability.

About Investments

Through the Opportunity Zone program, investors can roll the capital gains garnered from selling their assets to an unrelated individual into a Qualified Opportunity Fund within 180 days of realization to have their tax liability delayed or deferred until December 31, 2026, or until they sell their OZ investments. It is up to the taxpayer to determine how much newly realized gains to invest, when to sell or exit the investment, or whether to invest additional financial capital alongside their initial gains.

Tax benefits increase the longer investments in Opportunity Zones are held. In addition to deferring income taxes, the following benefits can be realized:

- For investments that are held for at least five years, the amount of the initial capital gains subject to taxes decreases by 10%.
- If investments are held for at least seven years, investors receive an additional 5% step-up in basis, for a total of 15%.
- If investments are held for a full ten years, capital gains on Opportunity Fund investments are also excluded from taxable income. After settling their original tax bill in December 2026, investors will face no capital gains taxes on the appreciation of their Opportunity Zone investments.

Opportunity Funds

Opportunity Funds are investment vehicles (organized as a corporation or partnership) that aggregate private capital to invest in Opportunity Zone property. Investors cannot directly invest in Opportunity Zone properties, themselves; they must invest in an Opportunity Fund.

- At least 90% of an Opportunity Fund's assets must be held in Opportunity Zone properties.
- The statute does not set limits on the number of funds that can be created nor the type of investments that can be made.
- By pooling the capital of a large variety of investors, even those who lack information or wherewithal to invest their own resources in OZ property can participate in the Opportunity Zone program.

The different types of Opportunity Zone properties in which Opportunity Funds can invest are:

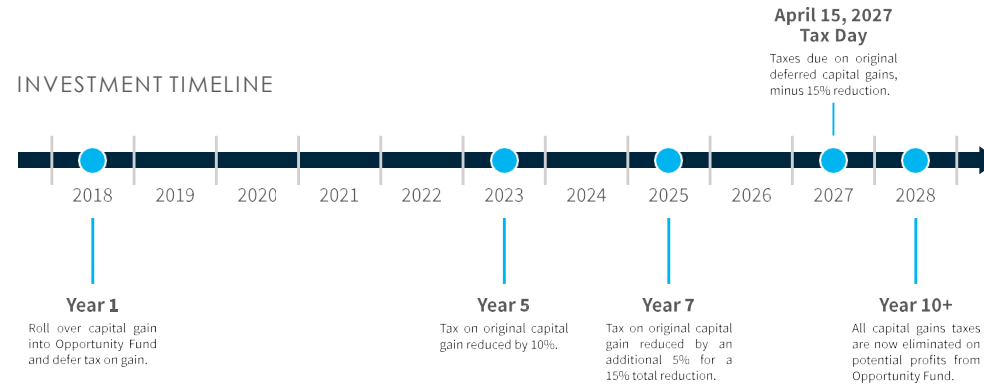
- Qualified Opportunity Zone stock
- Qualified Opportunity Zone partner interest
- Qualified Opportunity Zone business property

Invest in Oklahoma

Steps to Invest

1. Invest your realized capital gain into a Qualified Opportunity Fund (QOF) within 180 days. Investors can invest directly into QOFs without requiring an intermediary to complete the transaction.
2. Notify the Internal Revenue Service (IRS) that you have rolled your capital gain into a QOF when reporting your income taxes, using IRS Form 8949. This step is necessary to defer and potentially reduce taxes on your capital gains.

INVESTMENT TIMELINE



3. Pay your deferred capital gains taxes when they become due. If the investment has been held until the maximum deferral period—December 31, 2026—taxes will be due in 2027. If the investment has been held for at least seven years, the amount of the capital gain subject to tax will be reduced by 15%. If the investment is sold before December 31, 2026, taxes will be owed the year that the gain is realized.
4. Potentially pay zero capital gains taxes on returns earned from your Opportunity Zone investment. If an Opportunity Fund investment is held for at least ten years, an investor can expect their returns to be permanently excluded from capital gains taxation. If the investment is held for less than ten years, an investor can expect to miss out on tax exclusion benefits on earnings and incur a tax liability upon realizing gains.



Get in Touch!

For more information contact the Research Team at **800-879-6552** or by email at info@okcommerce.gov



New Safe Harbor Rules for Existing Businesses

A Qualified Opportunity Zone business must earn at least 50 percent of its gross income from business activities within a QOZ.

- It must do so for each taxable year.
- The proposed regulations provide three safe harbors that a business may use to meet this test.

These safe harbors are the:

- Hours-of-services-received test.
- Amounts-paid-for-services test.
- Necessary-tangible-property-and-business-functions test.





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New Rules for Existing Businesses

You do not need to meet all three Safe Harbor Tests. It's enough for a QOZ business to satisfy just one safe harbor.

For example, 50 percent or more of all the hours of services that a business receives and uses were performed in one or more QOZs. This business satisfies the hours test and, therefore, the 50-percent-of-gross-income test.





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How do I Market Projects in my Community

<https://www.okcommerce.gov/doing-business/business-relocation-expansion/incentives/federal-opportunity-zones/>

Investment Opportunities

Investment-ready Projects

- Explore Oklahoma's portfolio of investment-ready projects in Federal OZs.
- [LAUNCH PROJECTS MAP](#)





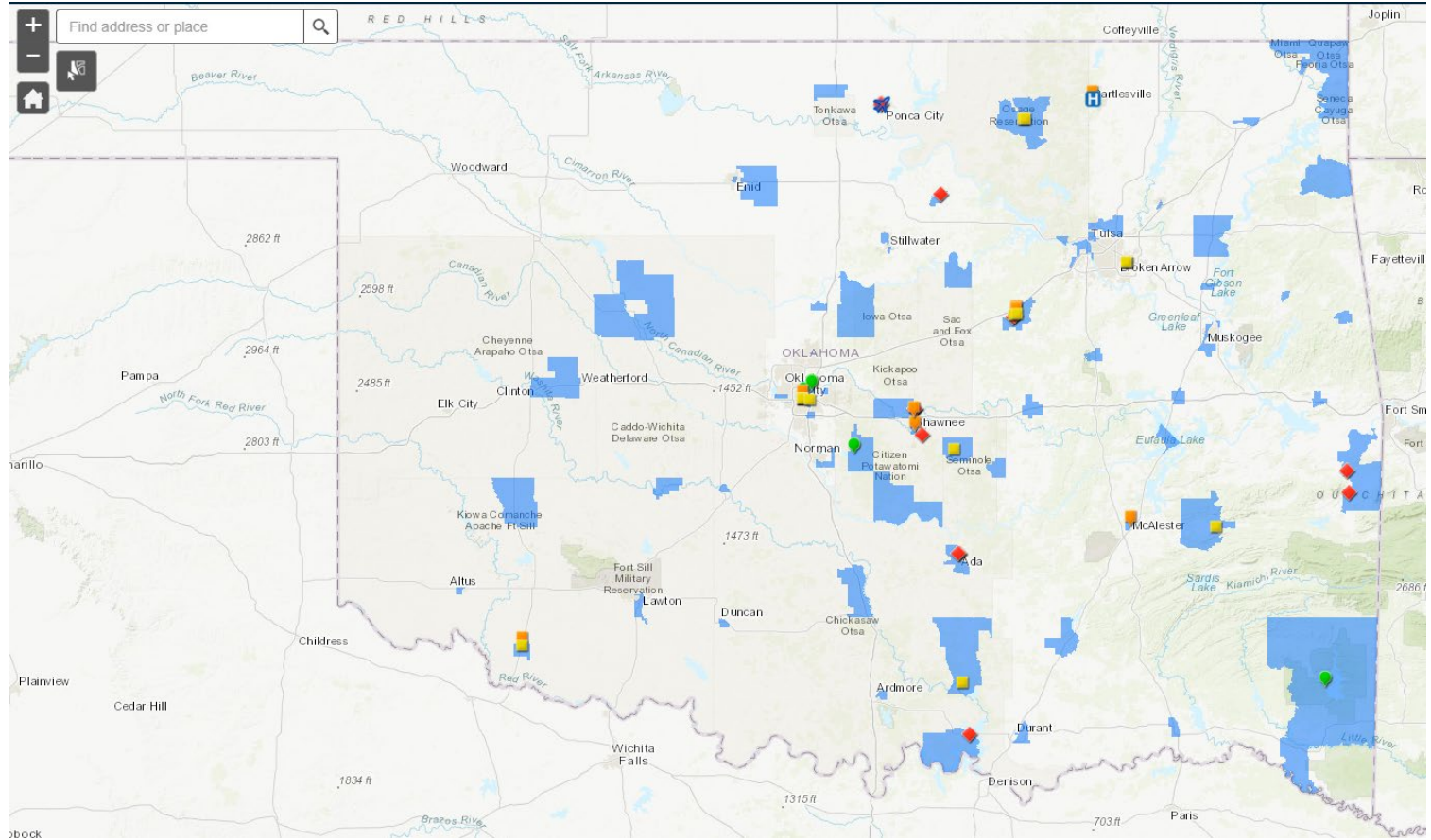
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Layers

- Aerospace
- Commercial
- Hospital
- Housing
- Manufacturing
- State
- Federal OZs

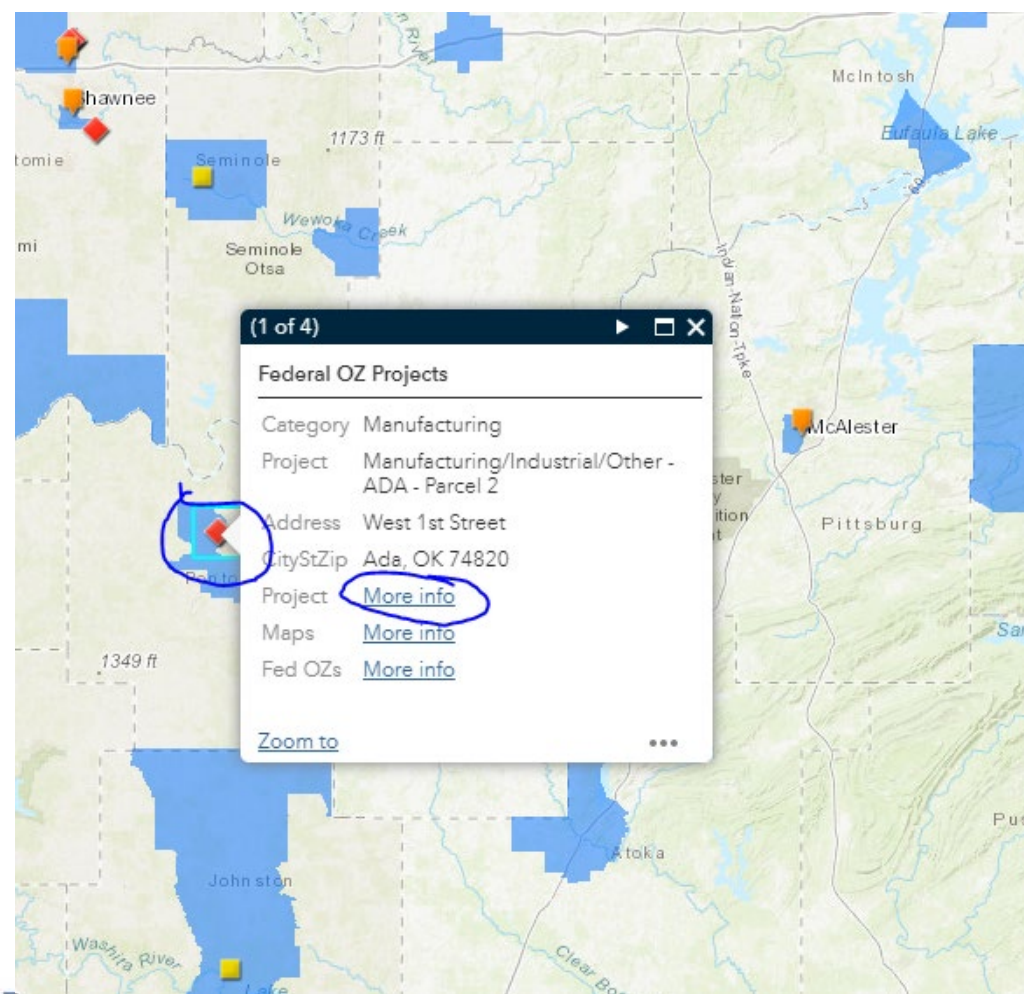


Map of Opportunity Zone Projects





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(1 of 4) ▶ □ ✕

Federal OZ Projects

Category Manufacturing

Project Manufacturing/Industrial/Other - ADA - Parcel 2

Address West 1st Street

CityStZip Ada, OK 74820

Project **More info**

Maps [More info](#)

Fed OZs [More info](#)

Zoom to ...





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Connect With Investors- Submit Projects

<https://www.okcommerce.gov/doing-business/business-relocation-expansion/incentives/federal-opportunity-zones/submit-an-opportunity/>

Connect With Investors

- Submit a property or project investment opportunity to us. We'll make a complete list available to potential investors.
- [SUBMIT OPPORTUNITY](#)
- Easy steps for communities to submit their projects online without hassle.
- The end result will be nice pdf documents with links and your specific content and pictures you want submitted.
- Project will become part of the portfolio that would be pitched to investors and would have the added benefit of being mapped on our interactive database.





Connect With Investors- Submit Projects

Opportunity Zone Project Request For Information

Project Point-of-Contact Information

Please provide contact information for the project.

First Name <input type="text" value="First Name"/>	Last Name <input type="text" value="Last Name"/>	Email <input type="text" value="Email"/>
Phone <input type="text" value="Phone"/>	Organization <input type="text" value="Organization"/>	

Project Information

Please provide complete and accurate information about the project.

Project Name <input type="text" value="Project Name"/>	Project Type Commercial <input type="button" value="v"/>	Other Project Type <input type="text" value="Other Project Type"/>
Briefly describe the project. <input type="text"/>	Describe the potential market/users for this project. <input type="text"/>	Describe any local incentives and/or developer initiatives. <input type="text"/>

Project Location

Opportunity Zone ID <input type="text" value="Example: Latimer Census Tract 872 or 40077087200"/>	Street Address <input type="text" value="Street Address"/>	Street Address 2 <input type="text" value="Street Address 2"/>
City <input type="text" value="City"/>	State <input type="text" value="State"/>	Zip Code <input type="text" value="Zip Code"/>

Project Photos & Renderings

Provide photos or renderings of the project site and/or buildings. Submitting images helps attract investors by providing a better idea of the project and its location. We will place the Featured Listing Image on the first page of the listing.

Upload an image file that best demonstrates the project. This images will be featured first and displayed prominently.

Featured Listing Image
 No file chosen

Featured Listing Image Description





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Available Buildings and Sites In Opportunity Zones

Oklahoma's Opportunity Zones

- View OZs and locate all listed available buildings and sites within them.
[LAUNCH OZ BUILDINGS + SITES MAP](#)
- www.Locateok.com





How do I add my properties in LocateOK.com?

- . Add & update your own by getting a RealMassive.com sign on.
 - We can do your initial upload
 - Data sync every Thursday into LocateOK
- Or –
- 2. Send new or updated property information to: Lesli.crofford@okcommerce.gov
- **Important:** You need to notify us when a property sells or leases.

Properties show in [LocateOK.com](https://www.locateok.com) –and – [RealMassive.com](https://www.realmassive.com)





Which properties can I enter in LocateOK.com?

- Commercial Buildings (Includes Industrial, Office & Retail)
- Land (All types including agricultural)

Recent Examples:

- Vacant land
- Industrial Park
- Coffee & Juice Shoppe
- Baseball field
- Cabinet shop
- Doctor's office
- Marina
- State or city owned properties
- Aircraft hangar
- Music venue

Remember: Most economic development wins are a direct result of a company purchasing or leasing an **EXISTING** building. Even if they build new, they will need to find land or an industrial park.





Oklahoma's Priority Enterprise Zones

- To coordinate with the federal government's goal of alleviating poverty, Oklahoma will utilize Priority Enterprise Zones (PEZs) created in the Oklahoma Enterprise Zone Act to attract capital to Oklahoma's Opportunity Zones. Investors who take advantage of Oklahoma's Federal Opportunity Zones within PEZs can potentially layer other state and/or local incentives, including:
- Investment Tax Credit – Allows a corporate income tax credit for new investment or job creation. PEZs double the income tax credit and enjoy Enterprise Zone designation for the life of the selected OZ tracts, instead of being subject to typical annual updates. This provides certainty to businesses for multi-year planning purposes.
- Enterprise Zone Incentive Leverage Act – Allows local areas to capture state sales tax if the local areas have a match. PEZ would allow participation in leverage incentive, if it is extended.
- Tax Increment Financing (TIF) – Local incentive authorized in state statute utilized for redevelopment and reinvestment of blighted areas. PEZ designations are evidence of distressed areas and would be allowed to be incorporated in a Local Development Plan as a TIF District.





Incentive Zones

Federal Opportunity Zones

Priority Enterprise Zones

EZ Tracts

EZ Grandfathered

Quality Jobs Opportunity Zones

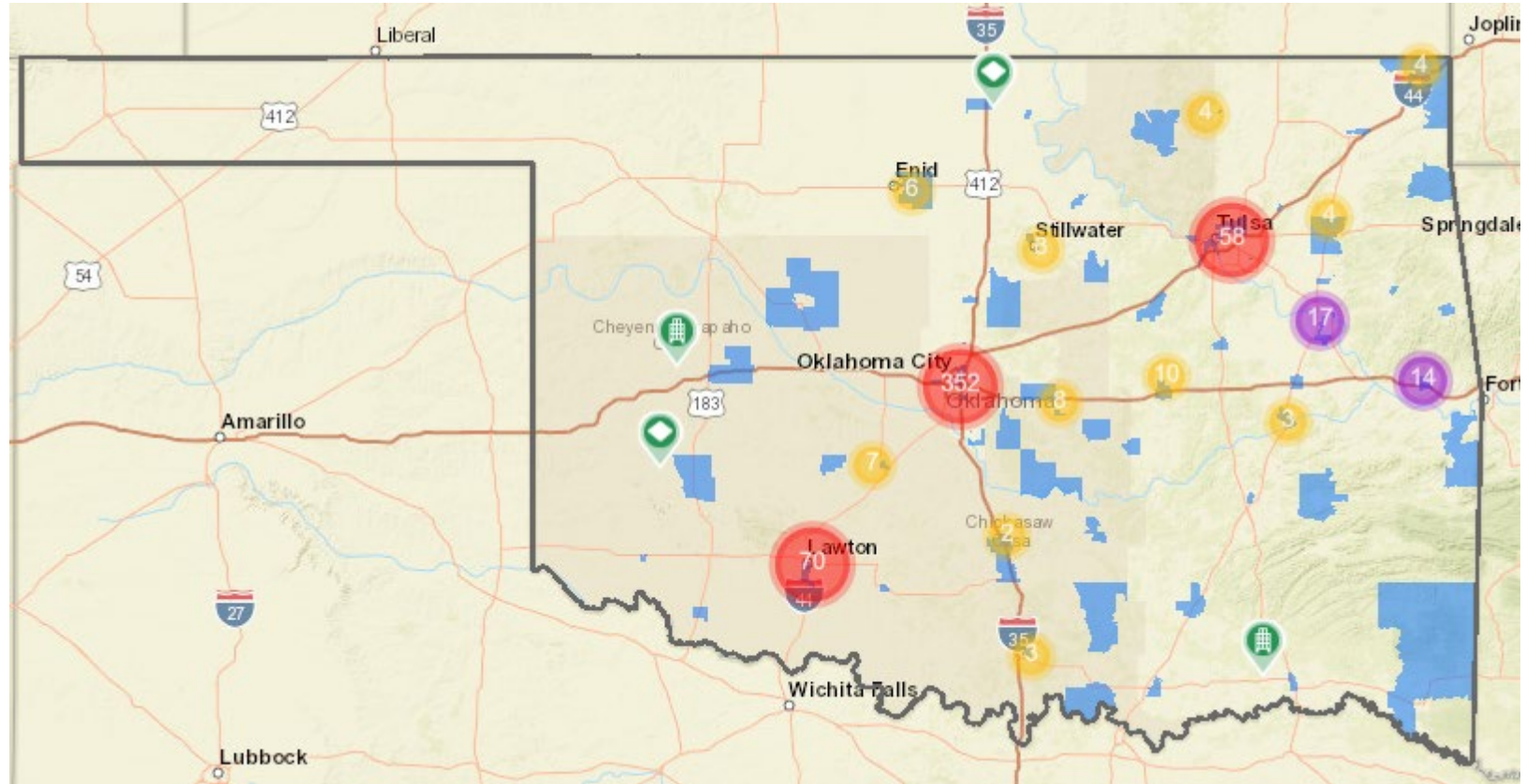
Automatic 5% Counties

SEQJ Counties

Foreign Trade Zone Sites

Foreign Trade Zone Areas

Former Indian Lands





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Questions?

Commerce Research Team

(405) 815-6552 or 1-800-879-6552

