

## Public Hearing Discussion Outline

James Rose on behalf of Rose Development, LLC previously submitted the following comments: **1k3-9aly-vv67 and 1k3-9ant-5i9r**. Mr. Rose would also appreciate an opportunity to speak at the public hearing on July 9, 2019.

The topics to be discussed are as follows:

- The type of investors that are incentivized under the Tax Cuts and Jobs Act should be broadened, such that more investors would have an incentive to invest in low-income communities included in the Opportunity Zones.
- The current limitation that only allows capital gains tax eligible funds to receive the benefits of investing in opportunity funds, limits the potential impact that the Act could otherwise accomplish.
- If the Act were to allow the investments from all investors willing to invest funds for the ten-year holding period, to receive the same capital gains tax benefits for the appreciation in value of those investments while held in opportunity funds, the funds flowing into low-income communities would dramatically increase.
- There appears to be no valid reason to artificially restrict the benefits of the Act to the limited pool of investors that currently have capital gains eligible funds.
- On the [www.irs.gov](http://www.irs.gov) website, in the frequently asked questions page on Opportunity Zones, there should be more detail and clarification given as to what is a Qualified Opportunity Fund.
- Currently, the FAQ page answers the question “What is a Qualified Opportunity Fund?” with an answer indicating that it is a vehicle for investing in “eligible property” located in a Qualified Opportunity Zone.
- For someone unfamiliar with the Act, the stated answer could be interpreted as only including real property located within the Opportunity Zone.
- This interpretation would miss an additional and major benefit of the Act, which is the investment in Qualified Opportunity Zone Businesses (“QOZBs”). Given the potential for growth and positive impact that QOZBs can bring to Opportunity Zones, this benefit of the Act should be more clearly stated in the answer.

Mr. Rose looks forward to the opportunity to discuss these topics at the public hearing. He may be contacted at [james@rosedevelopment.com](mailto:james@rosedevelopment.com) or at (435) 729-9449.