

S 2868

Investing in Opportunity Act

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Apr 27, 2016

Current Status: Committee on Small Business and Entrepreneurship. Hearings held.

Latest Action: Committee on Small Business and Entrepreneurship. Hearings held. (Jun 29, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2868>

Sponsor

Name: Sen. Scott, Tim [R-SC]

Party: Republican • **State:** SC • **Chamber:** Senate

Cosponsors (9 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Bennet, Michael F. [D-CO]	D · CO		Apr 27, 2016
Sen. Blunt, Roy [R-MO]	R · MO		Apr 27, 2016
Sen. Booker, Cory A. [D-NJ]	D · NJ		Apr 27, 2016
Sen. Gardner, Cory [R-CO]	R · CO		Apr 27, 2016
Sen. Peters, Gary C. [D-MI]	D · MI		Apr 27, 2016
Sen. Graham, Lindsey [R-SC]	R · SC		Jul 6, 2016
Sen. Coons, Christopher A. [D-DE]	D · DE		Jul 14, 2016
Sen. Capito, Shelley Moore [R-WV]	R · WV		Nov 16, 2016
Sen. Gillibrand, Kirsten E. [D-NY]	D · NY		Dec 1, 2016

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Apr 27, 2016
Small Business and Entrepreneurship Committee	Senate	Hearings By (full committee)	Jun 29, 2016

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
114 HR 5082	Identical bill	Apr 27, 2016: Referred to the House Committee on Ways and Means.

Investing in Opportunity Act

This bill amends the Internal Revenue Code to authorize the designation of opportunity zones in low-income communities and to provide tax incentives for investments in the zones, including deferring the recognition of capital gains that are reinvested in the zones.

Governors may submit nominations for a limited number of opportunity zones to the Department of the Treasury for certification and designation. Governors must give particular consideration to areas that:

- are currently the focus of mutually reinforcing state, local, or private economic development initiatives to attract investment and foster startup activity;
- have demonstrated success in geographically targeted development programs such as promise zones, the new markets tax credit, empowerment zones, and renewal communities; and
- have recently experienced significant layoffs due to business closures or relocations.

Treasury must designate zones if a governor fails to submit nominations within a specified period of time.

The bill defines opportunity funds as any investment vehicle organized as a corporation or a partnership to invest in opportunity zones that holds at least 90% of its assets in opportunity zone assets.

Taxpayers may temporarily defer the recognition of capital gains that are invested in opportunity zones or opportunity funds. Investments that are held for at least five years are eligible for capital gains tax reductions or exemptions, depending on how long the investment is held.

Treasury must report to Congress on the opportunity zone incentives enacted in this bill, including an assessment of opportunity fund investments at the national and state levels.

Actions Timeline

- **Jun 29, 2016:** Committee on Small Business and Entrepreneurship. Hearings held.
- **Apr 27, 2016:** Introduced in Senate
- **Apr 27, 2016:** Read twice and referred to the Committee on Finance.