



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

September 25, 2018

Number: **2018-0031**  
Release Date: 12/28/2018

CONEX-126822-18

UIL: 9999.98-00

The Honorable Elijah E. Cummings  
Member, U.S. House of Representatives  
8267 Main Street, Room 102  
Ellicott City, MD 21043

Attention:

Dear Representative Cummings:

I am responding to your inquiry dated August 30, 2018, on behalf of your constituent, who wrote about new Internal Revenue Code Section 1400Z-2.

In December 2017, Congress passed the Tax Cuts and Jobs Act, Pub. L. No. 115-97, which amended the Code to add Sections 1400Z-1 and 1400Z-2. Section 1400Z-2 provides incentives for investors to invest in qualified opportunity zones. These zones include designated low-income communities and certain communities contiguous to the low-income communities.

The IRS and Department of Treasury are diligently working on guidance for taxpayers to implement Section 1400Z-2 of the Code. provided substantive and helpful comments to assist us in developing this guidance. We appreciate submitting the letter and are reviewing it to draft future guidance.

I hope this information is helpful. If you have any questions, please call or at .

Sincerely,

William A. Jackson  
Branch Chief, Branch 5  
Office of Associate Chief Counsel  
(Income Tax & Accounting)