



Chuck Miller <thechuckmillergroup@gmail.com>

2512 Paul Quinn Street Houston, TX

Busker, Andrew - MYR <Andrew.Busker@houstontx.gov>
To: Chuck Miller <thechuckmillergroup@gmail.com>

Fri, Jun 7, 2024 at 10:05 AM

Hi Chuck,

2512 Paul Quinn St. is within an opportunity zone. For the everyday homeowner, being in an opportunity zone may not be a big deal. Being within an opportunity zone may be beneficial if the buyer intends to flip the property, redevelop it into something else, or make significant improvements within the next few years. The current owner could potentially sell the property and gain a tax benefit if they use the earnings from the sale in a specific way. A little more detail on how that works...

Opportunity Zones is a federal program designed to encourage investment in specific census tracts that are generally composed of economically distressed communities. Our [Opportunity Zone webpage](#) can provide a summary of the program, but in short, an investor can have reduced federal capital gains taxes if they invest in a property located in an Opportunity Zone. These investment dollars must be placed within a Qualified Opportunity Fund to be eligible for the program benefits.

The perks of this type of property from an investor's perspective includes:

- Deferred inclusion of capital gains income on federal income tax reporting for capital gains reinvested into a Qualified Opportunity Fund
- The longer you hold your capital gains reinvestment in the Qualified Opportunity Fund, the greater the percentage of federal income tax is excluded from your capital gains income.

The perks of this type of property from a developer's perspective includes:

- You can leverage multiple Qualified Opportunity Funds to fund capital costs for the development, creating a new revenue source in your project's capital stack.
- Being located within an Opportunity Zone means reduced eligibility requirements for many other local and state tax incentives, like tax abatements or the Texas Enterprise Fund.

Also review these federal websites for more detailed information on the program:

- [Opportunity Zones | Internal Revenue Service \(irs.gov\)](#)
- [Opportunity Zones | U.S. Economic Development Administration \(eda.gov\)](#)

Ultimately, we recommend the property owner or potential buyer talk with a tax consultant to help determine if it's worth getting involved in this program or not.

Please let me know if you have any questions.

Thanks!
Andrew



Andrew Busker

Staff Analyst

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From: Chuck Miller <thechuckmillergroup@gmail.com>
Sent: Thursday, June 6, 2024 10:41 AM
To: Busker, Andrew - MYR <Andrew.Busker@houstontx.gov>
Subject: [2512 Paul Quinn Street Houston, TX](#)

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