

State of Alaska  
Department of Commerce,  
Community & Economic Development



**Mike Navarre**  
Commissioner

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**Alaskans Invited to Participate in Nomination of Federal Opportunity Zones**

*State welcomes input regarding areas and projects that would benefit from federal tax incentives*

March 23, 2018 JUNEAU – The Department of Commerce, Community, and Economic Development is soliciting input regarding the designation of Opportunity Zones in Alaska. Created as part of the federal Tax Cuts and Jobs Act of 2017, the Opportunity Zones Program is designed to drive long-term capital to distressed communities by providing tax benefits on investments.

“We are hoping to hear from business and community leaders from across the state—you are the ones who know first-hand about the projects that would benefit from private investment stimulated by an area’s designation as an opportunity zone,” said Mike Navarre, commissioner of the Department of Commerce, Community, and Economic Development, “and you are also the ones who understand the community needs and can describe what benefits you expect to come with specific projects.”

Submit input to [opportunityzones@alaska.gov](mailto:opportunityzones@alaska.gov) before 5 p.m. AKDT on Thursday, April 5, 2018. Proposals should

- Identify the census tract being proposed (see [maps](#) for identification numbers)
- Describe the economic hardship in the area
- Fully articulate active or upcoming projects capable of making use of the capital gains incentives (including project descriptions, timelines, and complementary investment)
- Include any other information that is relevant to the designation as an Opportunity Zone

The primary basis for selecting areas for Opportunity Zone designation is their categorization as a low-income community census tract, as defined by federal regulation. When selecting from among the eligible tracts, the State will weigh numerous considerations based on available information, including

- Community support
- Project feasibility
- Workforce readiness
- Alignment with existing initiatives
- Economic hardship
- Geographic representation
- Investment opportunity

Maps of the eligible census tracts are available on the [Division of Economic Development website](#). An [interactive mapping tool](#) is also available from the U.S. Department of the Treasury.

The Opportunity Zones Program will provide tax incentives to private corporate and individual investors who put their capital to work in low-income communities. Investors can receive a temporary deferral for capital gains reinvested in an Opportunity Fund, a step-up in basis for capital gains reinvested in an Opportunity Fund if the investment is held for at least five years, and a permanent exclusion from taxable income of capital gains made in the Opportunity Fund. Interested investors should consult a tax professional to determine how they may be able to benefit from this program.

The mission of the Department of Commerce, Community, and Economic Development is to promote a healthy economy, support strong communities, and protect consumers in Alaska. To learn more about the department and its six divisions and seven corporate agencies, visit [commerce.alaska.gov](http://commerce.alaska.gov).

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