

Your Opportunity is in West Virginia...

...learn how Opportunity Zones can benefit your new business

Opportunity Zones were created to support recovery and growth in distressed communities. Investors are provided tax incentives for investing in rural and low-income areas. New businesses benefit from the real estate or business investments within these areas, while also enjoying tax deferring benefits on any capital gains received from these investments.

Any new business created in one of the 55 opportunity zones in West Virginia is also exempt from corporate and personal income tax for 10 years, depending on corporate form. The state opportunity zone is separate from the federal opportunity zone and does not require an opportunity fund to be created. Instead, all that is needed is a new business that is determined to be a “Qualified Opportunity Zone Business” as defined in Section §1400Z-2 of the Internal Revenue Code (basically any LLC or partnership).

West Virginia Opportunity Zone Incentive

HB113 Passed June 24, 2019, in effect 90 days from passage.

- Must be a newly registered business in West Virginia, registered after Jan. 1, 2019, and before Jan 1, 2024;
- Cannot merely be a reorganization of a business that existed prior to Jan. 1, 2019, required to obtain a new business registration certificate;
- Must be considered a “Qualified Opportunity Zone Business” as defined in Section §1400Z-2 of the Internal Revenue Code (basically an LLC or partnership);
- Must be in one of the 55 qualified opportunity zones in West Virginia;
- Incentive: Exempt from corporate and personal income tax for 10 years;
- Can be used with or without the Federal Opportunity Fund incentive.
- Business must be formed before Jan. 1, 2024.

An Opportunity Zone Example

Let's say, two or more individuals form an LLC to manufacture a product in one of the 55 West Virginia opportunity zones creating 50 jobs. The LLC is now eligible to be exempt from West Virginia state corporate and personal income tax for ten years. They do not need to sell assets or create a capital gains to invest that gain in an opportunity fund for the state incentive. However, they are still eligible for the federal opportunity zone incentive if they wish to sell assets for capital gains to invest in an opportunity fund.



For more information, contact:

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