

BY REPRESENTATIVE GLOVER

ECONOMIC DEVELOPMENT: Provides relative to opportunity zones

2 To urge and request Governor John Bel Edwards and Louisiana Economic Development to
3 reconsider nominating Louisiana Census Tract 217 as a qualified opportunity zone;
4 the Louisiana congressional delegation to consider offering legislation to amend the
5 Tax Cuts and Jobs Act of 2017; and the United States Department of the Treasury
6 and the Internal Revenue Service to amend 26 U.S.C. Subchapter Z to allow for
7 additional qualified opportunity zones.

10 WHEREAS, opportunity zones were created to encourage long-term investments in
11 low-income urban and rural communities nationwide by providing a tax incentive for
12 investors to re-invest their unrealized capital gains into dedicated qualified opportunity
13 funds; and

16 WHEREAS, qualified opportunity zones retain the designation for ten years; and

17 WHEREAS, investors can defer tax on any prior gains until no later than December
18 31, 2026, as long as the gain is reinvested in a qualified opportunity fund, an investment
19 vehicle organized to make investments in qualified opportunity zones; and

1 WHEREAS, if an investor holds an investment in the qualified opportunity fund for
2 at least ten years, the investor would be eligible for an increase in its basis equal to the fair
3 market value of the investment on the date that it is sold; and

4 WHEREAS, seven census tracts in the Shreveport/Bossier area were designated as
5 qualified opportunity zones; and

6 WHEREAS, Louisiana Census Tract 217 consists of Ochsner LSU Health
7 Shreveport, University Health, and BRF, formerly the Biomedical Research Foundation, and
8 the Willis-Knighton Health System corridor; and

9 WHEREAS, the exclusion of Louisiana Census Tract 217 is a missed opportunity
10 for investment in the future of the Shreveport/Bossier area and Louisiana as a whole; and

11 WHEREAS, according to correspondence from Caddo Parish District Three
12 Commissioner Steven Jackson, designating Louisiana Census Tract 217 would allow
13 investors to live up to the recommendations of a 2030 Great Expectations Shreveport-Caddo
14 Master Plan, which specifically calls for a revitalization program that encompasses Ochsner
15 LSU Health and Willis-Knighton areas as a mixed-income, mixed-use neighborhood and
16 employment hub and as an example of planning and public-private investment to create
17 critical mass for revitalization success; and

18 WHEREAS, the United States Department of the Treasury contends that the Tax
19 Cuts and Jobs Act of 2017 and legislative history of the qualified opportunity zone
20 designations, under IRC § 1400Z, do not contemplate an opportunity for additional or
21 revised designations after the maximum number of zones allowable have been designated
22 in a state or territory.

23 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
24 urge and request Governor John Bel Edwards and Louisiana Economic Development to
25 reconsider nominating Louisiana Census Tract 217 as a qualified opportunity zone; the
26 Louisiana congressional delegation to consider offering legislation to amend the Tax Cuts
27 and Jobs Act of 2017; and the United States Department of the Treasury and the Internal
28 Revenue Service to amend 26 U.S.C. Subchapter Z to allow for additional qualified
29 opportunity zones.

1 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to
2 Governor John Bel Edwards, the secretary of Louisiana Economic Development, each
3 member of the Louisiana congressional delegation, the secretary of the United States
4 Department of the Treasury, and the commissioner of the Internal Revenue Service.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HR 206 Original

2019 Regular Session

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Urges and requests Governor John Bel Edwards and the Louisiana Economic Development to reconsider nominating Louisiana Census Tract 217 as a qualified opportunity zone; the Louisiana congressional delegation to consider offering legislation to amend the Tax Cuts and Jobs Act; and the United States Department of the Treasury and the Internal Revenue Service to amend 26 U.S.C. Subchapter Z to allow for additional qualified opportunity zones.