



## Sarah Ma Comments on Opportunity Zone Regulatory Issue

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Transactional Tax Planning associate Sarah Ma spoke with *Law360* on a timing issue for opportunity zone investors that could result in a single-day turnaround for 2019 gains. Sarah noted that the IRS could potentially resolve the issue by going back to how Section 1231 gains were handled in 2018, before a section set of regulations were published in May in the *Federal Register*. Sarah stated, "What the IRS said [in a set of FAQs] is that actually for those taxpayers in 2018, they can start that 180-day period [to invest the gain in a qualified opportunity zone fund (QOF)] from the date of the sale itself." The government could choose to provide this same flexibility going forward, so that the 180-day period for tax years beginning after May 1, 2019, starts from the date of the actual sale or exchange of 1231 property, she said. Sarah concluded that if there are subsequent losses that would reduce the net gain, the government could place the burden on the investor to correct it. ("[Opportunity Zone Regs May Trigger Biz Property Sales Crunch](#)," August 14, 2019)