

CONTACT Claire McHenry, Deputy Director – Securities Bureau

PHONE 402-471-3445

EMAIL claire.mchenry@nebraska.gov

NDBF ISSUES ADVISORY ON OPPORTUNITY ZONE INVESTMENTS

August 6, 2019 (LINCOLN, NEB.) — The Nebraska Department of Banking and Finance (NDBF) today issued an advisory to raise awareness of the risks associated with investments in opportunity zones, economically distressed communities where new investments, under certain conditions, may be eligible for preferential tax treatment as part of the 2017 Tax Cuts and Jobs Act.

“This program provides an opportunity to strengthen investments in low-income communities and rural areas that traditionally struggled to attract the capital necessary to spur economic growth and job creation,” Deputy Director Claire McHenry said.

Investors attracted to opportunity zone investments for the potential tax benefits and promise of return on investment should weigh various factors before deciding to invest. The advisory discusses how opportunity zone investments work, the risks investors should understand when considering opportunity zone investments, and steps investors can take to protect themselves.

The full advisory is available on the agency’s website ndbf.nebraska.gov.

Separately, the North American Securities Administrators Association (NASAA), of which NDBF is a member, and the U.S. Securities and Exchange Commission (SEC) recently issued a summary that explains the application of the federal and state securities laws to opportunity zone investments.

The summary also provides an overview of the SEC and state requirements relating to qualified opportunity funds and their securities offerings, broker-dealer registration, and considerations for advisers to a qualified opportunity fund. The summary is available on the NASAA website <http://www.nasaa.org/wp-content/uploads/2019/07/Opportunity-Zones-NASAA-SEC-Staff-Statement.pdf>

Before making any financial decisions, ask questions, do your homework and contact NDBF at (402) 471-3445 for more information.

More information about the laws governing the securities industry in Nebraska can be found on NDBF’s website at ndbf.nebraska.gov. If you have questions about any investment matter, call NDBF’s Consumer Hotline toll free at (877) 471-3445 in Nebraska, or (402) 471-3445 if you are out of state.

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