Federal Opportunity Zones in Oklahoma

The Opportunity Zone program, established in 2017 and administered by the U.S. Department of Treasury, has been updated and made permanent through U.S. House Resolution 1—the One Big Beautiful Bill Act—passed by Congress in 2025. The renewed Opportunity Zone 2.0 program will take effect January 1, 2027, following the expiration of current designations at the end of 2026.

Opportunity Zone 2.0

Beginning July 1, 2026, governors will have 90 days to nominate up to 25 percent of their state's eligible census tracts for inclusion in the next round of Opportunity Zones. These designations will take effect January 1, 2027, and remain in place for ten years.

- **Spring 2026:** Treasury/IRS to finalize the official list of eligible census tracts.
- **March 2, 2026 - April 10, 2026:** Federal Opportunity Zone Survey available.
- **April 10, 2026:** Federal Opportunity Zone Nomination form released.
- **July 1, 2026:** The 90-day nomination period opens. Governors must submit their new, reduced list of designated OZs.
- **January 1, 2027:** New OZ 2.0 designations officially take effect.

Tract designations under the initial Opportunity Zone program (OZ 1.0) remain eligible through December 31, 2028, creating a two-year overlap. OZ 1.0 designated tracts will not be automatically recertified under Opportunity Zone 2.0.

Opportunity Zone 2.0 continues the program's mission of encouraging long-term private investment in low-income communities by offering federal tax incentives to investors, while strengthening accountability and refining eligibility criteria. The updated framework emphasizes support for rural communities, tightens the income threshold for eligible tracts and removes the contiguous tract allowance. Additional benefits, including enhanced capital gains exclusions and modified investment requirements, are designed to increase the flow of private capital into underserved areas.

Program Highlights

- Permanent program framework with decennial zone selection.
- New deferral schedule and basis benefits: a universal five-year capital gains deferral and automatic 10% basis increase at the five-year mark.
- Rural incentives: a 30% basis step-up and a reduced 50% substantial-improvement requirement for existing buildings in rural OZs.
- Expanded reporting requirements, designed to increase transparency and accountability for funds and investors.