Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

Maryland Opportunity Zones 2.0 Guidance Document

Submitting Eligibility Appeals

Executive Summary

The US Treasury published a list of census tracts which are eligible for designation as Opportunity Zones ("OZs") in April of 2026 which the Maryland Department of Housing and Community Development ("DHCD") uploaded to this interactive map. Generally, both the US Treasury and the State of Maryland recommend against requesting designation for any tract not included on this initial list as the path for approval is narrow. However, for high-impact projects that could benefit from an OZ designation, exception requests may be considered. This document provides additional guidance alongside the published Frequently Asked Questions document on the designation request process.

Justification Guidance

The Treasury may consider one main justification rationale: that the published Census data is factually wrong. Treasury will not weigh a project's or tract's other developmental aspects such as project merit, jobs, investment size, community need, or transformational potential. The primary anticipated adjudication rationale may be whether the tract's published poverty rate or median family income (MFI) actually meets the eligibility thresholds and/or the Census data mis-states that data. Most tracts will not qualify for a request.

Screening Questions For Justification

Question	Relevance
1. Is the tract close to the threshold? (MFI at or near 70% of area MFI, or poverty near the qualifying line)	If the tract is far from qualifying, no data correction will bridge the gap. However, near-miss tracts could be legitimate candidates.
2. Is the published estimate statistically fragile? (small population / few households / high ACS margin of error, OR a known boundary change)	Fragile estimates are the ones that potentially can be adjusted and change a designation. A tight estimate on a large population will not change.
3. Do you have - or can you affordably collect - real data that proves the published figure wrong?	The Treasury will require good data. Census-grade evidence: Treasury's own block-group data, a current enumeration, or administrative data (e.g., Medicaid or state level) that mathematically establishes the threshold.

If you answered yes to all three, you may have a strong or adequate request. If not, contact the Division of Business Development before proceeding. We can help you assess whether a request is realistic, and/or aid in redirecting efforts toward existing eligible tracts for nomination to be designated an Opportunity Zone.

Two considerations to keep in mind: (1) collecting real data (a survey or administrative-data analysis) is cost and time intensive; and (2) winning eligibility makes a tract **eligible**, not **designated**. It must still compete for one of Maryland's limited designation slots. Eligibility is necessary, not sufficient.

Submission Key Components to include in a Request

Incorporate each portion below as applicable. Keep the whole submission focused on data and eligibility. These are general guidelines and preparers should apply their own best judgement on structure.

Tract identification

State exactly one nominated geography. If a boundary change is involved, identify both the historical and current tract numbers and be explicit about which geography you are asking the Treasury to evaluate. Ambiguity ("tract X and/or tract Y") invites rejection.

Nominated tract number(s) and vintage (e.g., 2010 tract 7014.21, now within 2020 tract 7014.25):
County and general location:

Note: This assumes that the tract currently is not on the Treasury's eligible Appendix list. (If yes, you do not need this template, it is already eligible.)

The eligibility threshold and where the tract stands

Articulate the applicable threshold and the tract's published figure against it. Confirm the correct areawide MFI denominator before finalizing as the entire ratio depends on it.
The tract's PUBLISHED MFI ratio (from Treasury's 2020–2024 ACS data set):
The MFI ratio you contend is CORRECT, and the gap between them:

Your data-accuracy rationale

This is the heart of the request. State plainly **why** the published figure(s) is/are wrong. Use exactly one of the recognized theories below (or a clearly-articulated equivalent). Do not argue the tract deserves designation rather argue the A,B,C number is inaccurate and should be replaced with X,Y,Z. Example rationales are below to aid you crafting a potential justification:

Rationale A - Current primary enumeration: The published ACS estimate is based on a small sample with a high margin of error; a current, methodologically sound survey of the actual tract population shows the true MFI/poverty figure qualifies. Requires a defensible survey.

Rationale B - Administrative-data extrapolation: Current administrative data (e.g., Medicaid enrollment covering a large share of tract households) mathematically establishes that the tract meets the poverty/income thresholds. Data often already exists in state systems; must be structured to Treasury's open-source-compatible standard. State your theory and summarize the evidence in 3–5 sentences:

Supporting data

The Treasury wants to review your math from ideally open-source numbers. Provide the actual source tables and a calculation workbook, not just conclusions. National/open-source data is strongly preferred over state-specific statistics to avoid disputes over methodology. Examples are below:

- ACS source tables used (with table IDs) or survey/administrative data source:
- Calculation workbook deriving the corrected ratio:
- Maps and/or census crosswalks documenting the geography:

Legal basis

Cite the provision you are proceeding under. For most requests this is Section 5.04 (nomination of a tract not on the list). For former 2018 QOZs, you may need to cite other relevant OZ sections.

- Governing provision(s) of Rev. Proc. 2026-14 (typically § 5.04; add § 3.01(2) if a former 2018 QOZ)
- If attempting to justify based on boundary continuity, explain its application and rationale
- Other relevant legal basis as deemed appropriate by the preparer.

What NOT to include

Recommended to leave the following out. Each is most likely inadmissible under Treasury's stated test and its presence signals that the eligibility case is weak:

- Project descriptions, investment figures, job counts, or economic-impact projections.
- Arguments about community need, hardship, or "what the program was designed for."
- Congressional-intent or program-mission rhetoric.
- Anything arguing a tract **deserves** designation rather than that it **qualifies** on data.

Questions

Contact albert.bossar@maryland.gov at the Division of Business Development before investing significant effort. We would rather help you assess whether a request is realistic up front than see a county spend scarce time on an argument the Treasury cannot consider.

This document is general guidance, not legal advice, and reflects general advice and positions as of the date of preparation. Treasury's guidance and timelines may evolve; confirm current requirements with the Division before submitting. Final nominations are made under the Governor's authority