

Minnesota Department of Employment and Economic Development

# Angel Tax Credit Program

## INVESTOR CREDIT ALLOCATION APPLICATION FORM

**Data Privacy Notice:** per Minn. Stat. 116J.8737, Subd. 8, data provided in this application is not public data; certain information becomes public upon issuance of credit certificates. The name of the investor and/or fund, the amount of the qualifying investment, the amount of the credit, and the name of the business receiving the investment will be posted on the department's website.

**Tennessee Warning Notice:** per Minn. Stat. 13.04, Subd. 2, this data is being requested from you to determine if you may be allocated tax credits under the Angel Tax Credit Program. You are not required to provide the requested information, but failure to do so may result in the department's inability to allocate tax credits to you and provide you with a tax credit certificate. Upon granting of a tax credit certificate under the Angel Tax Credit Program, this information will be shared with the Minnesota Department of Revenue.

### CREDIT ALLOCATION PROCEDURES

1. The business and investor jointly apply for a credit allocation using this application form. Complete and submit only the sections needed based on the investor type.
2. Applicants are notified by e-mail within 15 days of the department's receipt of the application as to whether the application is approved, rejected, or if additional information is needed.

### INVESTMENT PROCEDURES

1. Within 60 days of the Credit Allocation application approval email, the investment must be made or the credit allocation will be revoked.
  - a. If the investment is not made within 60 days of the approval notification, the business or investor must notify the department within the 60 days concerning the status of the investment.
  - b. A non-accredited investor must be certified to participate in the program within 30 days of making the investment or the allocation may be revoked.
2. Within 15 days of the investment transaction, submit a Proof of Investment form and supporting documentation:
  - a. A copy of the signed investor subscription agreement, or other underlying transaction document, documenting the investment.
  - b. A copy of the investor's check made out to the business. If the check is not from the investor's personal account, include in the submission a clear audit trail evidencing that the funds are the investor's.
  - c. A copy of the business' deposit receipt or bank statement showing the deposit of the check. A copy of a wire transfer showing the accounts of originator and beneficiary may be substituted; if the funds are flowing to and from an escrow account, show or explain this clearly.
3. Upon receipt and processing of the requested items in #2, we will email approval of the Proof of Investment to the investor and to the business.
4. A tax credit certificate will be emailed to qualified investor in mid-February of the following year.

### SUBMIT CREDIT ALLOCATION APPLICATIONS

Email (preferred) only the completed sections of the application as a PDF attachment to [angel.credit@state.mn.us](mailto:angel.credit@state.mn.us) or mail application to:

MN DEED  
Angel Tax Credit Program, Attn: Jeff Nelson  
First National Bank Building  
332 Minnesota Street, Suite E-200  
St. Paul, MN 55101-1351

# INVESTOR CREDIT ALLOCATION APPLICATION FORM

Credit Allocation for calendar year: \_\_\_\_\_

## Section I. QUALIFIED SMALL BUSINESS RECEIVING QUALIFIED INVESTMENT

Name of business: \_\_\_\_\_ FEIN: \_\_\_\_\_ - \_\_\_\_\_

The business must be certified and this application must be approved before the investment is made.

### PLANNED AND PAST INVESTMENT:

Investor's Name	20__ Certified?	Intended Investment Date*	Investment description (e.g., 100 common shares)	Planned Investment Amount
	Y N			\$
Business' Past Angel Tax Credit Program investments:				\$
<b>Total**</b>				\$ 0.00

*\*Investments cannot be deposited prior to receiving approval of the credit allocation application*

*\*The investment must be made within 60 days of notice of the credit allocation approval or the credit allocation may be revoked.*

*\*\*The program life-time maximum investment is \$4 million for a Qualified Angel Tax Credit Small Business.*

The undersigned certifies that any statement or representation in this application, or information provided herein, is true and complete to the best of his or her knowledge and hereby acknowledges that he or she has read and understands the following statement:

**“The State of Minnesota and its agents have the right to verify information provided in this application. False information, in addition to disqualifying the applicant from any further consideration for financial assistance, may also subject the applicant to the penalty provision of Minn. Stat. 609.645.”**

*Please Note:*

The investor may not be an officer, elected or appointed by the board to manage the business in which this investment is being made, or a family member<sup>1</sup> of such an officer.

The investor may not be a principal, having authority to act on behalf of the business in which this investment is being made, or a family member<sup>1</sup> of such a principal.

The investor may not be an owner who, combined with his or her family members<sup>1</sup>, controls more 20% of the securities of the business in which this investment is being made, or a family member<sup>1</sup> of such an owner.

<sup>1</sup>as defined by IRC 267(c) (4): “The family of an individual shall include only his brothers and sisters (whether by the whole or half-blood), spouse, ancestors, and lineal descendants”

\_\_\_\_\_  
**Signature of Authorized Business Representative**

**Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Section II. CERTIFIED INVESTOR SEEKING ALLOCATION**

Name of investor: \_\_\_\_\_ SSN/TIN: XXX--XX-- \_\_\_\_\_

The investor must be certified and this application must be approved before the investment is made.

Name of business: \_\_\_\_\_

If married, filing jointly and seeking a total tax credit greater than \$125,000 (maximum \$250,000) this year, provide:

Name of spouse: \_\_\_\_\_ SSN/TIN of spouse: \_\_\_\_ -- \_\_\_\_ -- \_\_\_\_\_

**A. Investor’s Planned Investment**

Planned Investment Amount*	Intended Investment Date**	Credit Allocation Amount***
\$		\$

*\*The minimum investment an investor needs to make to qualify for the credit is \$10,000.  
 \*\*Investments cannot be deposited prior to receipt of approval of the credit allocation application.  
 \*\*The investment must be made within 60 days of the credit allocation approval or the credit allocation may be revoked.  
 \*\*\*Credit allocation amount is up to 25% of the investment amount unless annual tax credit limit has been reached.*

**B. Certifications (all must be true to qualify)**

- (1) The investor is not an officer, elected or appointed by the board to manage the business in which this investment is being made, or a family member<sup>1</sup> of such an officer.
- (2) The investor is not a principal, having authority to act on behalf of the business in which this investment is being made, or a family member<sup>1</sup> of such a principal.
- (3) The investor is not owner who, combined with his or her family members<sup>1</sup>, controls more 20% of the securities of the business in which this investment is being made, or a family member<sup>1</sup> of such an owner.
- (4) The investor has received, or will receive with this allocation, no more than \$125,000 in credits under this program in this calendar year (\$250,000 if married, filing jointly).

<sup>1</sup>as defined by IRC 267(c) (4): “The family of an individual shall include only his brothers and sisters (whether by the whole or half-blood), spouse, ancestors, and lineal descendants”

The undersigned certifies that all statements and representations in this application, or information provided herein, are true and complete to the best of his or her knowledge.

**Signature of Investor:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Section III: NON-CERTIFIED INVESTOR SEEKING ALLOCATION (NON-ACCREDITED INVESTOR ONLY)**

**Note:** This section should only be completed by a non-accredited investor who has not yet been certified and who is investing in a transaction that is exempt under Minn. Stat. 80A.46 clauses (13) or (14) or Minn.Stat.80A.461 or who is investing in a security registered under Minn. Stat. 80A.50 (b). Non-certified investors must apply for certification within 30 days of making the qualified investment.

Name of business: \_\_\_\_\_

Name of Investor: \_\_\_\_\_ (SSN/TIN): \_\_\_\_\_

Street Address 1: \_\_\_\_\_ Street Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ Zip: \_\_\_\_\_ Country: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

If married, filing jointly and seeking a total tax credit greater than \$125,000 (maximum \$250,000) this year, provide the following: Name of spouse: \_\_\_\_\_ SSN/TIN of spouse: \_\_\_\_ -- \_\_\_\_ -- \_\_\_\_\_

**A. Investor’s Planned Investment**

Planned Investment Amount*	Intended Investment Date**	Credit Allocation Amount***
\$		\$

\*The minimum investment an investor needs to make to qualify for the credit is \$10,000.

\*\*Investments cannot be deposited prior to receipt of approval of the credit allocation application.

\*\*\*The investment must be made within 60 days of the credit allocation approval or the credit allocation may be revoked.

\*\*\*\*Credit allocation amount is up to 25% of the investment amount unless annual tax credit limit has been reached.

**B. Certifications (all must be true to qualify)**

- (1) The investor is not an officer, elected or appointed by the board to manage the business in which this investment is being made, or a family member<sup>1</sup> of such an officer.
- (2) The investor is not a principal, having authority to act on behalf of the business in which this investment is being made, or a family member<sup>1</sup> of such a principal.
- (3) The investor is not owner who, combined with his or her family members<sup>1</sup>, controls more 20% of the securities of the business in which this investment is being made, or a family member<sup>1</sup> of such an owner.
- (4) The investor has received, or will receive with this allocation, no more than \$125,000 in credits under this program in this calendar year (\$250,000 if married, filing jointly).

<sup>1</sup>as defined by IRC 267(c) (4): “The family of an individual shall include only his brothers and sisters (whether by the whole or half-blood), spouse, ancestors, and lineal descendants”

The undersigned certifies that all statements and representations in this application, or information provided herein, are true and complete to the best of his or her knowledge.

**Signature of Investor:** \_\_\_\_\_

**Date:** \_\_\_\_\_