

Minnesota Department of Employment and Economic Development

Angel Tax Credit Program

FUND 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 fund jointly apply for a credit allocation using this application form.
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.
If the investment is not made within 60 days of the approval notification, the business or fund must notify the department within the 60 days concerning the status of the investment.
2. Within 15 days of the investment transaction, submit the Proof of Investment form and documentation:
 - a. A copy of the signed fund subscription agreement, or other underlying transaction document authenticating the investment.
 - b. A copy of the fund's check made out to the business, showing the fund being the originator of the investment.
 - 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 fund and to the business.
4. A tax credit certificate will be emailed to fund's members in mid-February of the following year.

SUBMIT CREDIT ALLOCATION APPLICATIONS

E-mail (preferred) the completed sections of the application as a PDF attachment to 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

FUND 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:

Fund'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:				\$
Total**				\$ 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 member¹ 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 member¹ of such a principal.

The investor may not be an owner who, combined with his or her family members¹, controls more 20% of the securities of the business in which this investment is being made, or a family member¹ of such an owner.

¹as 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. QUALIFIED FUND SEEKING CREDIT ALLOCATION

Name of business: _____

Name of fund: _____ FEIN: _____ - _____

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

A. Fund’s Planned Investment

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

**The minimum investment a fund needs to make to qualify for the credit is \$30,000.
 **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)** No investor in the fund is an officer, elected or appointed by the board to manage the business in which this investment is being made, or a family member¹ of such an officer.
- (2)** No investor in the fund a principal, having authority to act on behalf of the business in which this investment is being made, or a family member¹ of such a principal.
- (3)** No investor in the fund is an owner who, combined with his or her family members¹, controls more 20% of the securities of the business in which this investment is being made, or a family member¹ of such an owner.
- (4)** No investor in the fund has received, or will receive with this allocation, more than \$125,000 in credits under this program in this calendar year (\$250,000 if married filing jointly).

¹as 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 authorized fund representative: _____

Title: _____ **Date:** _____

C. Fund Members. For each fund member provide the following information (for more than three investors we will accept a spread sheet with the following data points or additional pages as necessary):

Name of fund member: _____ SSN/TIN: _____
 Street Address: _____ City: _____
 State/Province: _____ Zip: _____ Country: _____
 Phone: _____ Email: _____

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

If married, filing jointly and seeking annual total tax credits greater than \$125,000 (maximum \$250,000), provide the following: Name of spouse: _____ SSN/TIN of spouse: _____

Name of fund member: _____ SSN/TIN: _____
 Street Address: _____ City: _____
 State/Province: _____ Zip: _____ Country: _____
 Phone: _____ Email: _____

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

If married, filing jointly and seeking annual total tax credits greater than \$125,000 (maximum \$250,000), provide the following: Name of spouse: _____ SSN/TIN of spouse: _____

Name of fund member: _____ SSN/TIN: _____
 Street Address: _____ City: _____
 State/Province: _____ Zip: _____ Country: _____
 Phone: _____ Email: _____

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

If married, filing jointly and seeking annual total tax credits greater than \$125,000 (maximum \$250,000), provide the following: Name of spouse: _____ SSN/TIN of spouse: _____

**Investments cannot be deposited prior to receipt of approval of the credit allocation application.
 *The minimum investment a fund needs to make to qualify for the credit is \$30,000.
 **Credit allocation amount is up to 25% of the investment amount unless annual tax credit limit has been reached*