



## Commonwealth of Kentucky Cabinet for Economic Development

Matthew G. Bevin, Governor

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### 2017 Kentucky Angel Investment Tax Credit Applications Accepted Starting Today

*Program continued success in year two, pulled in more than \$7.2 million in investments*

**FRANKFORT, Ky.** (Dec. 12, 2016) – The Kentucky Angel Investment Act Program saw resounding success once again in 2016, boasting more than \$7.2 million in investments leveraged for startups and small business in the Commonwealth. The program today began accepting applications from investors for 2017 tax credits.

“The success of this program in its second year highlights our state’s strong entrepreneurial culture,” said Mandy Lambert, commissioner of the department for business development at the Kentucky Cabinet for Economic Development. “By motivating investors to fund Kentucky startups and small businesses, the Angel Investment Tax Credit grows the economy and creates jobs.”

The program allows angel investors – people who provide funding for startup companies – to receive tax credits. Qualified investors can receive tax credits for up to 50 percent of their investments made in companies based in enhanced counties – those with high unemployment rates – and 40 percent for all other counties.

For 2017, the program again offers a total of up to \$3 million in tax credits, available on a first-come, first-served basis. Individual investors are limited to \$200,000 in credits annually.

Investors outside Kentucky can participate in the program. Although out-of-state investors may not have Kentucky tax liability, they can recover a portion of their investments by selling their credits to buyers who do.

Through the end of November 2016, nearly 40 percent of investors making investments – 39 of 98 – originated from outside Kentucky. They represented nine states plus Canada, and helped deepen the pool of funding and expertise available to Kentucky companies.

The Office of Entrepreneurship within the Kentucky Cabinet for Economic Development operates the program.

For tax credit eligibility, investors and small businesses must first be approved – or qualified – by the Cabinet prior to the investment. Applications to become a qualified investor or a qualified small business are accepted on an ongoing basis.

Angel investors must apply for tax credits prior to making an investment. The Kentucky Economic Development Finance Authority must approve each application before credits are issued.

For more information, and to apply for 2017 Angel Investment Tax Credits or to apply for qualification as a recipient business or angel investor, visit [www.thinkkentucky.com/kaitc](http://www.thinkkentucky.com/kaitc).

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*The Kentucky Cabinet for Economic Development is the primary state agency responsible for encouraging new jobs and investment in the state. New capital investment announced in Kentucky in 2015 totaled a state record \$5.1 billion, spurring more than 16,000 projected new jobs. Information on available industrial properties, workforce development assistance, incentive programs, community profiles, small business development and other economic development resources is available at [www.ThinkKentucky.com](http://www.ThinkKentucky.com). Follow the Cabinet at [facebook.com/ThinkKentucky](https://facebook.com/ThinkKentucky), on Twitter [@ThinkKentucky](https://twitter.com/ThinkKentucky) and on [LinkedIn](https://linkedin.com).*

