Minnesota Angel Tax Credit Program

2019 Annual Report

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**Minnesota Angel Tax Credit Program 2019 Report**

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**Minnesota Angel Tax Credit Program**

2019 Report to the Minnesota Legislature

**Introduction**

The Small Business Investment Tax Credit, commonly known as the Angel Tax Credit Program, was enacted into law on April 1, 2010 (Minnesota Statutes 116J.8737) and launched by the Department of Employment and Economic Development (DEED) in July 2010. The program was created to stimulate private investment in emerging businesses and to encourage job creation through the growth of those businesses.

In 2019, the program certified 124 businesses, 72 of which received investments from 342 certified individual investors and 227 investors in certified funds. These businesses received more than $39.8 million in investment, resulting in $9.7 million in credits for investors. Details on program activity are presented below. The program was not authorized to operate in 2018; this is the program’s subsequent report to its 2017 report to the legislature.

The Angel Tax Credit Program encourages economic growth and job creation by providing tax incentives to encourage investment in early stage companies. Investors in start-up businesses that are focused on developing or using proprietary technology in a high technology field or in specific industry fields, or in businesses that are developing a proprietary product, process or service in specific industry fields, receive a 25 percent refundable tax credit (subject to annual maximums of $125,000 per person or $250,000 if married filing jointly) for their equity investments in qualified businesses. The granting of these credits supports the success of Minnesota’s entrepreneurs, the growth of emerging businesses, and future job creation in Minnesota.

For businesses to qualify to participate in the program, they must meet the following requirements:

* Headquartered in Minnesota
* Minimum 51% of employees and payroll in Minnesota
* Fewer than 25 employees
* Minimum of 51% of the value of service contracts performed in Minnesota
* Pay employees wages of at least 175 percent of poverty level for a family of four on an annualized basis (the equivalent of $21.66/hr in 2019); interns must be paid at least 175 percent of the federal minimum wage (the equivalent of $12.69/hr)
* Not in operation for more than 10 years (20 years if engaged in the medical device or pharmaceutical fields that require FDA product approval)
* Not have securities that trade on a public exchange
* Not have received previous private equity investments of more than $4 million
* Not have received private equity investments of more than $4 million that have qualified for the credit
* Primary business activity of using or researching a proprietary technology in a high technology field or in agriculture, tourism, forestry, mining, manufacturing or transportation
* Not be an excluded business type

For investors to qualify to participate in the program, they must meet the following requirements:

* A natural person (not a pass-through or corporate entity)
* An accredited investor or one who will only invest in exempt filings or one who is investing through the MNvest program
* Make a qualifying investment of at least $10,000, or of at least $7,500 if the business is veteran-owned, minority-owned, women-owned or located in Greater Minnesota
* And to be eligible for the credit, the investor may not be:
  + An officer or principal of the business being invested in
  + A 20% or more owner of the business being invested in (family interests combined)
  + A family member of either of the above

For investment funds to participate in the program, they must meet the following requirements:

* Minimum of three investors
* At least three investors of the fund must be natural persons
* Organized as a pass-through entity
* Make a qualifying investment of at least $30,000
* Fund members are ineligible for the credit if an officer, principal, 20% or more owner (or a family member any of these) of the business being invested in

The process by which businesses, investors and funds receive credits is as follows:

1. All those who wish to participate in the Angel Tax Credit Program—businesses, investors, and funds—must apply to DEED for certification. This certification process ensures that they meet the eligibility requirements of the program.
2. Before a qualifying investment is made, the transaction participants must apply for a tax credit allocation. This process ensures that the parties do not exceed their annual or program life limitations for the tax credit and that sufficient tax credits are available for the planned investment.
3. Once the investment is made, the transaction participants must submit evidence of the investment; this evidence provides proof that the investment actually took place and that the investor is entitled to the tax credit.
4. Finally, those who make or receive investments pursuant to the program must file annual reports. These reports ensure compliance with the requirement that the investor hold the investment for three years and with the requirement that the business continue to maintain over 51% of its payroll and employees in Minnesota. Failure to meet these requirements results in recapture of the credit.

**Businesses in the Program**

Businesses must be certified by DEED to participate in the program before investors may make investments in the businesses that qualify for the tax credit. Of the 124 businesses that were certified in 2019, 72 received investments. Since the program’s inception in 2010, 480 businesses have benefited from the program.

Businesses filing annual reports (those who have received investments through the program within the last 5 years) indicated that, in 2019, they received a total of $169,671,751 in investment outside the program. Details on the business investments made pursuant to the program are below:

**Table 1 – Number of Businesses Certified and Invested In, Investment, and Credits Issued**

**in the Angel Tax Credit Program, 2010-2019**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2010** | **2011** | **2012** | **2013** | **2014** |
| Number of businesses certified: | 112 | 176 | 190 | 193 | 183 |
| Number of businesses in which investments were made: | 67 | 113 | 117 | 128 | 110 |
| Investment made in businesses qualifying for credit: | $28,023,232 | $63,148,784 | $46,150,674 | $50,657,447 | $59,783,632 |
| Credit issued for these investments: | $7,005,808 | $15,787,156 | $11,415,751 | $12,365,229 | $13,841,673 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015** | **2016** | **2017** | **2018** | **2019** |
| Number of businesses certified: | 182 | 187 | 163 | No program | 124 |
| Number of businesses in which investments were made: | 114 | 105 | 101 | No program | 72 |
| Investment made in businesses qualifying for credit: | $70,411,833 | $58,894,095 | $44,474,766 | No program | $39,875,431 |
| Credit issued for these investments: | $15,542,608 | $14,723,711 | $10,723,963 | No program | $9,774,038 |

For a list of 2019 certified businesses, see Appendix A.

For a list of 2019 certified businesses that received investments, see Appendix B.

*Industry Types*

In order to be certified to participate in the Angel Tax Credit Program, a business must be using proprietary technology to add value to a product, process or service in a qualified high-technology field; researching or developing a proprietary product, process or service in a qualified high-technology field; researching, developing or producing a new proprietary technology for use in the fields of agriculture, tourism, forestry, mining, manufacturing or transportation; or researching or developing a proprietary product, process or service for use in the fields of agriculture, tourism, forestry, mining, manufacturing or transportation.

The industries represented by certified businesses and by those businesses which received investment are displayed in Table 2 and Table 3 on page 4; these tables use the industry types adopted by the Angel Tax Credit investment community.

**Table 2 - Industries Represented by Businesses**

**Participating in Angel Tax Credit Program, 2019\***

|  |  |  |  |
| --- | --- | --- | --- |
| **Industry Type** | **Received Investments** | **Certified Only  (No Investment)** | **Total** |
| Medical Devices & Equipment | 20 | 9 | 29 |
| Software | 14 | 12 | 26 |
| Biotechnology | 7 | 3 | 10 |
| Food/Drink | 6 | 2 | 8 |
| Business Products & Services | 4 | 4 | 8 |
| Consumer Products & Services | 4 | 4 | 8 |
| Clean Technology | 3 | 6 | 9 |
| IT Services | 3 | 2 | 5 |
| Internet/Web Services | 2 | 3 | 5 |
| Healthcare Services | 2 | 3 | 5 |
| Nanotechnology | 1 | 1 | 2 |
| Financial Services | 1 | 1 | 2 |
| Education | 1 | 0 | 1 |
| Gaming | 1 | 0 | 1 |
| Marketing/Advertising | 1 | 0 | 1 |
| Media/Entertainment | 1 | 0 | 1 |
| Travel | 1 | 0 | 1 |
| Mobile | 0 | 2 | 2 |
| **TOTAL** | **72** | **52** | **124** |

\* Standardized categories used by the Angel Tax Credit investment community; not necessarily reflective of business’ primary activity for certification purposes

The top two types of businesses receiving investment in 2019—medical device and software—were the same two types as in 2013-2017 (there was no program in 2018).

**Table 3 – Investment in Industries Represented by**

**Businesses Participating in Angel Tax Credit Program, 2019\***

|  |  |  |
| --- | --- | --- |
| **Type of Industry** | **Total Investment** | **Total Credits** |
| Medical Devices and Equipment | $15,322,966 | $3,823,409 |
| Biotechnology | $4,855,117 | $1,151,282 |
| Consumer Products | $4,350,764 | $962,691 |
| Food & Drink | $4,141,668 | $1,035,417 |
| Software | $2,584,999 | $646,249 |
| Gaming | $2,562,261 | $640,571 |
| Internet/Web | $1,100,000 | $275,000 |
| IT Services | $1,085,000 | $271,250 |
| Business Products and Services | $997,756 | $249,444 |
| Clean Technology | $945,000 | $236,250 |
| Media and Entertainment | $794,900 | $198,725 |
| Education | $465,000 | $116,250 |
| Healthcare Services | $355,000 | $88,750 |
| Travel | $110,000 | $27,500 |
| Marketing/Advertising | $95,000 | $23,750 |
| Nanotechnology | $75,000 | $18,750 |
| Financial Services | $35,000 | $8,750 |
| **TOTAL** | **$39,875,431** | **$9,774,038** |

\*Standardized categories used by Angel Tax Credit investment community; not necessarily reflective of business’ primary activity for certification purposes

*Business Locations*

Pursuant to a 2014 statutory modification to the program, 50% ($5.0 million) of angel tax credits are reserved for investments made in certified businesses located in Greater Minnesota, as well as for investments made in women and minority owned and managed businesses. Of the 72 certified businesses that received investment through the program in 2019, seven were headquartered in Greater Minnesota (see the *Business Demographics* section below for information about women and minority businesses). Table 4 and table 5 give additional detail and Appendix C provides a map of business headquarters distribution.

**Table 4 – Headquarters Location & Investment In Businesses Receiving**

**Qualifying Investment Pursuant to the Angel Tax Credit Program, 2010-2019**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2010** | | **2011** | | **2012** | | **2013** | | **2014** | |
| **Number of Twin Cities Businesses** | | 62 | | 100 | | 109 | | 122 | | 102 | |
| **Number of Greater Minnesota Businesses** | | 5 | | 13 | | 8 | | 6 | | 8 | |
| **Total Businesses** | | 67 | | 113 | | 117 | | 128 | | 110 | |
| **Investment in Twin Cities Businesses** | | $26,248,232 | | $50,260,689 | | $43,892,174 | | $49,339,446 | | $51,655,622 | |
| **Investment in Greater Minnesota Businesses** | | $1,775,000 | | $12,888,095 | | $ 2,258,500 | | $1,318,001 | | $8,128,010 | |
| **Total Investment** | | $28,023,232 | | $63,148,784 | | $46,150,674 | | $50,657,447 | | $59,783,632 | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015** | **2016** | **2017** | **2018** | **2019** |
| **Number of Twin Cities Businesses** | 101 | 95 | 91 | No program | 65 |
| **Number of Greater Minnesota Businesses** | 13 | 10 | 10 | No program | 7 |
| **Total Businesses** | 114 | 105 | 101 | No program | 72 |
| **Investment in Twin Cities Businesses** | $64,46,333 | $53,180,010 | $34,601,494 | No program | $37,427,198 |
| **Investment in Greater Minnesota Businesses** | $5,955,500 | $5,714,085 | $9,873,272 | No program | $2,448,233 |
| **Total Investment** | $70,411,833 | $58,894,095 | $44,474,766 | No program | $39,875,431 |

*Business Demographics*

**Table 5 - Women and Minority Owned Businesses Receiving Qualifying Investment Pursuant to the Angel Tax Credit Program, 2012-2019**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Demographic Type** | **Number of Businesses Receiving Qualifying Investment** | | | | | | | | **Investment Amount** |
| **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2019** |
| **Women owned & managed** | 6 | 14 | 15 | 10 | 12 | 11 | No  program | 11 | $2,090,925 |
| **Minority owned & managed** | 4 | 8 | 8 | 13 | 7 | 5 | No  program | 7 | $1,849,811 |
| **Total** | **10** | **22** | **23** | **23** | **19** | **16** |  | **18** | **$3,940,736** |

*Business Insolvencies*

Businesses that have received investment (481 from 2010 through 2019) pursuant to the program also report when they cease operations and/or become insolvent, should this occur within five years of the last Angel Tax Credit Program investment. In these years, this number of businesses reported they no longer had operations:

**Table 6 – Number of Businesses that have Ceased Operations which participated in the Angel Tax Credit Program, 2012-2019**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **Total** |
| **Number of businesses no longer operating:** | 1 | 4 | 11 | 12 | 10 | 4 | 7 | 12 | 2 | 63 |

*Job Creation*

Businesses provide employment figures at the time of certification and in their year-end annual reports; only those businesses that received investments pursuant to the program file annual reports. Businesses have a five year annual reporting requirement and as a result, those businesses which—through the angel program--received investment only in 2010 through 2014, the first five years of the program, no longer file annual reports and thus no longer report job creation numbers. Businesses that filed their annual report by March 4, 2020 reported that in 2019, net job creation for the year was 109 direct positions:

* 249 positions were newly created by 52 businesses
* 140 positions were eliminated by 23 businesses

Note that many businesses neither created nor eliminated any jobs in 2019. Since the program’s inception, participating businesses have created 1,887 direct jobs from the period 2010-2019.

Prior to 2013, businesses reported only on jobs they directly created, meaning only employees that they had on their payroll who received W-2s. Because legislators and other interested parties sought additional job creation information, beginning with 2013 business annual reports, DEED has asked businesses to report on the number of contract workers, consultants, agency staffers and others they have indirectly hired. These numbers, although not necessarily precise, provide a more complete indication of the total number of jobs created by these businesses and reflect the reality that start-up businesses frequently contract for workers before adding employees to their permanent payrolls.

Businesses that filed their annual report by March 4, 2020 reported that in 2019, they employed 678 contract workers (“indirect hires”). Table 7 provides employment information related to businesses that received investments pursuant to the program.

**Table 7 – Job Creation by Businesses Receiving Qualifying Investment**

**Pursuant to the Angel Tax Credit Program, 2010-2019**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Direct Jobs  Created | # of Indirect Hires | Total Jobs Created |
| Job Creation in 2019: | 109 | 678 | 792 |
| Total Direct Job Creation  2010-2019: | 1,887 |  | |
| Estimated annual gross wages of  1,887 direct jobs\*: | $85,033,881 |
| \*at 2019 program wage minimum |  |  | |

**Number and Value of Credits Issued**

Angel tax credits are issued directly to investors, whether they invest in qualified businesses individually or through an investment fund. In 2019, 569 credit certificates, valued at over $9.7 million, were issued for 2019 investments. In accordance with the Angel Tax Credit Program statute, any unused credit allocations are rolled forward to the following year’s program. Because the 2010 program was in operation for only six months, there was a significant carryover of credits from 2010 to 2011.

**Table 8 – Investors, Individual and Fund Members, Utilizing**

**Angel Tax Credit Program, 2019**

|  |  |
| --- | --- |
| Number of individual certified investors who made investments: | 342 |
| Number of investors in certified funds who made investments: | 227 |
| De-duplicating individual investors who also invested using funds: | 0 |
| Total number of investors to whom credits were issued in 2019: | 569 |

**Table 9 – Angel Tax Credits Appropriated, Available,**

**and Issued, 2010-2019**

|  |  |
| --- | --- |
| 2010 credit appropriation: | $11,000,000 |
| 2010 credits issued: | $7,005,808 |
| 2010 credits unused and rolled over to 2011 program: | $3,994,192 |
|  |  |
| 2011 credit appropriation: | $12,000,000 |
| 2011 credits available: | $15,994,192 |
| 2011 credits issued: | $15,787,196 |
| 2011 credits unused and rolled over to 2012 program: | $206,996 |
|  |  |
| 2012 credit appropriation: | $12,000,000 |
| 2012 credits available: | $12,206,996 |
| 2012 credits issued: | $11,415,751 |
| 2012 credits unused and rolled over to 2013 program: | $791,245 |
|  |  |
| 2013 credit appropriation: | $11,900,000 |
| 2013 credits available: | $12,691,245 |
| 2013 credits issued: | $12,365,229 |
| 2013 credits unused and rolled over to 2014 program: | $356,016 |
|  |  |
| 2014 credit appropriation: | $12,000,000 |
| 2014 additional credit appropriation: | $3,000,000 |
| 2014 credits available: | $15,356,016 |
| 2014 credits issued: | $13,841,673 |
| 2014 credits unused and rolled over to 2015 program: | $992,586\* |
|  |  |
| 2015 credit appropriation: | $15,000,000 |
| 2015 credits available: | $15,992,586 |
| 2015 credits issued: | $15,542,608 |
| 2015 credits unused and rolled over to 2016 program: | $449,978 |
|  |  |
| 2016 credit appropriation: | $15,000,000 |
| 2016 credits available: | $15,449,978 |
| 2016 credits used: | $14,723,711 |
| 2016 credits unused and rolled over to 2017 program: | $726,267 |
|  |  |
| 2017 credit appropriation: | $10,000,000 |
| 2017 credits available: | $10,726,267 |
| 2017 credits used: | $10,723,963 |
| 2017 credits unused and redistributed: | $2,304 |
|  |  |
| 2018: No program |  |
|  |  |
| 2019 credit appropriation: | $10,000,000 |
| 2019 credits available: | $10,000,000 |
| 2019 credits used: | $9,774,038 |
| 2019 credits unused and rolled over to 2021 program: | $225,962 |
| \*adjusted to account for past years post –closing under and overages |  |

An allocation of a tax credit means that an applied for amount of credits are reserved for a proposed investment transaction. These proposed transactions must occur within 60 days or by December 31, or the credit allocation is cancelled; once the program has allocated all the year’s tax credits, any allocated but unused credits were rolled over into the next year except in 2017, when the unused credits were redistributed to those who had received partial distributions due to the fact that the program had not at that time been authorized to operate in future years.

Starting in 2015, the program has had two separate credit accounts. In 2019, $5.0 million in credits were reserved for investments in minority and women-owned and managed businesses and in businesses located in Greater Minnesota. The other half of the credits, $5.0 million, were available for investments in any certified business. The reserved credits, as designated by statute, remained reserved until September 30, at which date the remaining $4.7 million became available for investments in any certified business. On December 17, all $10 million in credits had been allocated to businesses throughout Minnesota.

**Recipients of Credits**

Investors can participate in the program as individual certified investors, as investors in certified investment funds, or both. Investors must be certified before they make an investment in a certified business for that investment to qualify for the Angel Tax Credit. In 2019, 401 investors were certified, of which 342 actually made an investment in a qualified business. 20 funds were certified in 2019, 18 of which (representing 227 investors) made investments in a qualified business. See Table 10 for a complete breakdown.

**Table 10 – Investors and Funds Participating in the**

**Angel Tax Credit Program, 2010-2019**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Investor Participation:** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** |
| Number of individual investors certified | 275 | 623 | 511 | 484 | 572 | 619 | 655 | 572 | No  Program | 401 |
| Number of individual investors who made investments | 258 | 563 | 465 | 452 | 485 | 538 | 555 | 500 | No Program | 342 |
|  |  |  |  |  |  |  |  |  |  |  |
| **Fund Participation:** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** |
| Number of investment funds certified | 5 | 21 | 19 | 21 | 29 | 27 | 26 | 29 | No Program | 20 |
| Number of investment funds that made investments | 4 | 21 | 17 | 20 | 27 | 23 | 19 | 28 | No Program | 18 |
| Number of investors in funds that made investments | 32 | 195 | 191 | 199 | 327 | 279 | 251 | 265 | No Program | 227 |

Minnesota’s Angel Tax Credit is a refundable credit, meaning that if an investor has limited or no Minnesota state tax liability, the difference or the whole credit amount is refunded to the investor. This feature of the program, which only a few of the approximately 24 states having angel programs, provides the opportunity for non-Minnesotans to make equity investments in Minnesota businesses and be eligible for the credit. The average investment per investor in 2019 was $79,080, including those investors who invested through a fund.

**Table 11 – Average Investment and Credit Amounts**

**Angel Tax Credit Program, 2010-2017**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** |
| Average investment per investor: | $96,300 | $83,310 | $73,723 | $80,665 | $50,028 | $86,183 | $73,160 | $88,950 | No Program | $79,080 |
| Average credit amount per investor: | $24,075 | $20,827 | $18,236 | $19,690 | $11,587 | $19,024 | $18,290 | $21,448 | No Program | $17,178 |

Minnesota’s Angel Tax Credit Program spurs substantial investment in Minnesota businesses by non-Minnesotans. In 2019, non-Minnesotan investors accounted for 40 percent of overall investment, a decrease from 53% in 2017, 42% in 2016, 40% in 2015, 33% in 2014, 31% in 2013, 28% in 2012, 27% in 2011, and 22% in 2010. Non-Minnesotan investors include a few from other countries, including Australia, Thailand, India, and Singapore. See Table 12 for additional information.

**Table 12 – Location of Investors Making Qualifying Investment**

**in Qualified Businesses in the Angel Tax Credit Program, 2019**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Minnesotans** | | | | **Non-Minnesotans** | |
|  | Metro | | Gtr MN | |  | |
| Number of Investors | 228 | 40% | 116 | 20% | 225 | 40% |
| Amount of Investment2 | $18,037,321 | 45% | $5,759,514 | 15% | $16,078,596 | 40% |

Includes individual investors and fund investors, de-duplicated

2Includes individual investments and fund investments

For a list of 2019 certified investors, see Appendix D.

For a list of 2019 certified funds, see Appendix E.

**Number and Value of Credits Revoked**

Investors may have their Angel Tax Credits revoked and recaptured if they do not meet program requirements outlined in statute. For 2019, $50,750 credits are subject to possible revocation and/or repayment due to investors and businesses not meeting the following program requirements. Since the inception of the program in 2010, $2,195,400 credits have been revoked of over $111.1 million issued.

For 2019, $0 in credits were revoked due to investors failing to hold their investment for three years.

For 2019, $391,749 in credits were exempted from the three-year investment holding requirement for meeting one of the five allowed exemptions. These exemptions are:

* The investment became worthless (9 investments, $271,749 in credits)
* 80% of the business assets were sold (7 investments, $67,500 in credits)
* The business was sold (7 investments, $50,000 in credits)
* The business’ common stock began trading on a public exchange (0 investment, $0 in credits)
* Death of the investor (1 Investment, $2,500 in credits)

One business is subject to a penalty of the amount of credits issued for investments made in that business because they failed to maintain at least 51% of their employees and/or payroll in Minnesota. The penalty total is potentially $50,750. The penalty amount for this failure begins at 100% of the credits issued and declines 20% for each year for five years, after which the penalty ends.

**Program Financing and Costs**

The Angel Tax Credit Program’s operations are funded by program fees. Fees are collected at the time of certification application and upon submission of annual reports. Fee income in 2019 was derived from the sources identified in Table 13:

**Table 13 – Fee Income**

**Angel Tax Credit Program, 2019**

|  |  |
| --- | --- |
| Investor certification fees ($350): | $140,350 |
| Fund certification fees ($1,000): | $20,000 |
| Business certification fees ($150): | $18,600 |
| Annual Reports ($100): | $88,300 |
| Total | $267,250 |

Total program administration costs in 2019 were over $256,000, as reported in Table 14. Revenue in excess of expenses will be carried forward to cover program planned IT enhancements to improve customer service. The 2019 cost reflect staffing needs, revisions to and maintenance of the program’s operations tracking database, and miscellaneous expenses. The program used approximately 2.5 FTE staff for most of 2019.

**Table 14 – Expenses**

**Angel Tax Credit Program, 2019**

|  |  |
| --- | --- |
| Staff Salaries | $206,919.41 |
| Information Technology Development | $6,250.34 |
| Indirect Costs, Agency & State | $34,631.86 |
| Other (space rental, utilities, etc.) | $8,720.37 |
| Total | $256,521.98 |

**Program Changes**

*Legislative Modifications*

From its inception, the program has worked closely with stakeholders in the angel community to maximize emerging business growth in Minnesota. The community recommended minor adjustments to the program in 2011, and the department proposed and helped pass these changes:

* a lower, separate wage minimum for interns
* modified the membership requirements for funds, allowing funds to have non-natural person members
* increased the maximum equity qualification limitation for businesses from $2 million to $4 million
* In 2013, the department proposed, with community support, and the legislature passed four additional changes:
* increasing the years in operation maximum for medical device and pharmaceutical business requiring lengthy FDA approval from 20 years, up from 10 years for other businesses
* disqualifying business whose securities are publicly traded
* disqualifying investments that take place within 180 days of a liquidation event
* permitting the department to make public basic contact and descriptive information about businesses certified to participate in the program

In 2014, the department proposed increased funding of tax credits for the program. The legislature passed these changes:

* Increased tax credit funding from $12 million to $15 million per year
* Changed the program’s sunset from 2014 to 2016
* Added death of the investor as an additional exemption to the three year investment holding requirement
* Required the department to develop a plan to increase awareness of the program by businesses located in Greater Minnesota and women-owned and minority-owned businesses

In addition, the 2014 legislature passed changes that affected the program in 2015:

* $7.5 million in tax credits were reserved for investments in targeted businesses (those located in Greater Minnesota and women-owned and minority-owned businesses) until September 30
* Expanded the types of businesses became eligible to participate in program, including those researching or developing a proprietary product, process, or service in the fields of agriculture, tourism, forestry, mining, manufacturing, or transportation; this new type has no technology requirement, as do the other allowed types
* Officers, principals, and 20% or more owners, and their families, were made ineligible for the tax credit for investments in their business

The 2016 legislature made these changes to the program:

* Required for businesses to be certified that at least 51% of the value of their service contracts be performed in Minnesota
* Expanded investor certification eligibility to include investing through MNvest
* Reduced tax credit funding from $15 million to $10 million for 2017

The 2019 legislature made these changes to the program:

* Reduced the minimum investment from $10,000 to $7,500 for individual investors investing in businesses that are veteran-owned, minority-owned, women-owned or located in Greater Minnesota
* Reduced the annual report late filing penalty from $500 to $100 for annual report not filed by February 1 and authorized the revocation of credits granted to those who fail to an annual report by April 1

**Partnerships**

The department has developed strong partnerships with a number of organizations that promote angel investing and business development within Minnesota. The department actively works with the Minnesota High Tech Association, including co-sponsoring the annual Venture Conference, Medical Alley, the Minnesota Cup, AngelPolleNation, Gopher Angels, MOJO Minnesota, the University of Minnesota Venture Center, University Enterprise Laboratories (UEL), The Network Connect, Minnesota Entrepreneurs, the Economic Development Association of Minnesota (EDAM) and other state and regional organizations seeking to facilitate the growth of the angel investment community in Minnesota.

**Closing**

If you have any questions or comments regarding this report, please contact Jeff Nelson, Manager of Business Tax Benefits and Angel Tax Credit Program, at 651.259.7523 or [jeff.m.nelson@state.mn.us](mailto:jeff.m.nelson@state.mn.us), or Bob Isaacson, Director of the Office of Business Finance, at 651.259.7458 or [bob.isaacson@state.mn.us](mailto:bob.isaacson@state.mn.us).

# Appendix A

# Minnesota Angel Tax Credit

# List of Qualified Businesses

The following businesses have been certified as Qualified Businesses under Minnesota Statute 116J.8737. This certification solely means that Minnesota Department of Employment and Economic Development (DEED) has found that each business meets the qualifications specified in Subdivision 3 of the statute and that each business is therefore eligible to participate in DEED’s Angel Tax Credit Program***.***

### 2019 Qualified Businesses

|  |  |  |
| --- | --- | --- |
| **Legal Name** | **County** | **Industry Type** |
| Ablation Safety Technologies | Hennepin | Medical Devices and Equipment |
| ABV Technology, Inc. | Ramsey | Food/Drink |
| Access Point Technologies EP, Inc. | Hennepin | Medical Devices and Equipment |
| ActivOrtho Inc | Hennepin | Medical Devices and Equipment |
| Adestinn, LLC | Hennepin | Business Products and Services |
| AMX Technologies, LLC | Hennepin | Medical Devices and Equipment |
| aNine LLC | Hennepin | Software |
| ARI Acquisition Corp. | Hennepin | Clean Technology |
| Aurora Concussion Therapy Systems, Inc. | Ramsey | Medical Devices and Equipment |
| BetterTime Co | Ramsey | Education |
| Binary Bridge, SBC | Hennepin | Software |
| Bistro Systems LLC | Hennepin | Consumer Products and Services |
| BlueRithm LLC | Hennepin | Software |
| Brain Check Medical, LLC | Ramsey | Medical Devices and Equipment |
| Brother Justus Whiskey Co. | Hennepin | Food/Drink |
| Buzz360, LLC | Dakota | Software |
| CALYAN TECHNOLOGIES, INC | Dakota | Medical Devices and Equipment |
| CaptureLife, Inc. | Hennepin | Software |
| CHANL HEALTH INC | Hennepin | Software |
| Checkable Medical, Inc. | Hennepin | Medical Devices and Equipment |
| Civic Eagle | Ramsey | Business Products and Services |
| Clarity Authentication Systems | Washington | Software |
| Claros Technologies Inc. | Washington | Clean Technology |
| Click360 Inc. | Carver | Software |
| CloudEvent, Inc | Hennepin | Software |
| COVR Medical, LLC | Olmsted | Medical Devices and Equipment |
| Crotega, LLC | Hennepin | Other |
| Daily Kneads Bread LLC | Hennepin | Food/Drink |
| Dante, LLC | Ramsey | Medical Devices and Equipment |
| Darcy Solutions, Inc. | Hennepin | Clean Technology |
| Edwards 2019 Inc. | Dakota | Software |
| Entero Innovations, LLC | Ramsey | Medical Devices and Equipment |
| Eva Medtec, Inc | Hennepin | Medical Devices and Equipment |
| EVP Technologies, LLC | Ramsey | Medical Devices and Equipment |
| Fairway Play, Inc. | Dakota | Mobile |
| FEN Biotech, LLC | Anoka | Consumer Products and Services |
| Fideliquest Inc | Hennepin | Software |
| Float Your Boat, LLC | Hennepin | Software |
| Froogle, LLC | Sherburne | Marketing/Advertising |
| Geneticure, Inc | Olmsted | Biotechnology |
| Geofinancial Analytics, Inc. | Hennepin | Other |
| GoGlowe, Inc. | Hennepin | Software |
| Great Water Holdings | Ramsey | Clean Technology |
| GRIP Molecular Technologies | Ramsey | Biotechnology |
| Guardian Athletics LLC | Blue Earth | Business Products and Services |
| Hanson Lahre Inc | Faribault | Business Products and Services |
| Health Factors Inc | Hennepin | Medical Devices and Equipment |
| Hello Temp, Inc. | Hennepin | Software |
| Hoodo, LLC | Hennepin | Internet/Web Services |
| Humble Nut Butter | Hennepin | Food/Drink |
| ImagoAI Inc | Ramsey | Food/Drink |
| Infinity Robotics LLC | Scott | Business Products and Services |
| JourneyTellr, Inc. | Hennepin | Software |
| LifEngine Animal Health Laboratories Incorporated | Olmsted | Biotechnology |
| LIVE.GIVE.SAVE., INC. | Goodhue | Software |
| Luminary Therapeutics Inc | Hennepin | Biotechnology |
| Mallbooster, LLC | Hennepin | Internet/Web Services |
| Medic | Hennepin | Healthcare Services |
| MFr Technologies | Hennepin | Medical Devices and Equipment |
| MINA Families LLC | Hennepin | Internet/Web Services |
| Motaska Medical, LLC | Ramsey | Medical Devices and Equipment |
| MOTI Sports, Inc. | Hennepin | Software |
| My Logistics Solutions, Inc. | Hennepin | Mobile |
| MyFormulary, LLC | Hennepin | Healthcare Services |
| Myiceberg, LLC | Hennepin | Business Products and Services |
| Nancy's Kitchen, LLC | Hennepin | Consumer Products and Services |
| NanoBotano, LLC. | Lake | Nanotechnology |
| NanoVault Medical, LLC | Ramsey | Nanotechnology |
| Nebula Medical, Inc | Ramsey | Medical Devices and Equipment |
| NeoCardial Technologies, LLC | Hennepin | Medical Devices and Equipment |
| Neptune Botanicals LLC | Hennepin | Other |
| NetGiver, LLC | Hennepin | Financial Services |
| Netzro SBC | Hennepin | Clean Technology |
| Netzro, LLC (DELETE) | Hennepin | Clean Technology |
| NirvaMed Inc. | Ramsey | Medical Devices and Equipment |
| Nu-Tek BioSciences, LLC | Hennepin | Biotechnology |
| Odonata Health, Inc. | Washington | Medical Devices and Equipment |
| Otrafy, Inc | Ramsey | Software |
| Parrot.MD Inc. | Hennepin | IT Services |
| Pelvital USA, Inc. | Hennepin | Medical Devices and Equipment |
| Peytant Solutions, Inc. | Hennepin | Medical Devices and Equipment |
| PFM Solutions, LLC | Hennepin | Financial Services |
| Phenomix Sciences | Ramsey | Biotechnology |
| Phoji, Inc | Hennepin | Software |
| Phraze, Inc. | Olmsted | Healthcare Services |
| Poma 22, LLC | Dakota | Consumer Products and Services |
| Private Practice Network, Inc. | Ramsey | IT Services |
| Protocol 46 Inc. | Ramsey | Other |
| QuB LLC | Washington | Consumer Products and Services |
| Ready Okay LLC | Ramsey | Software |
| Recovree Inc. | Ramsey | Healthcare Services |
| RETT Co. | Olmsted | Biotechnology |
| Runerra Technologies Inc | Hennepin | Software |
| Sadie Blue Software LLC | Hennepin | Software |
| Sarisa Therapeutics, LLC | Hennepin | Biotechnology |
| SecurityStudio, Inc. | Hennepin | Other |
| Sentence Data Refinery Inc | Hennepin | Business Products and Services |
| SharpLink, Inc. | Hennepin | Gaming |
| Simpliconnect, Inc. | Hennepin | Software |
| SLP Green Energy, LLC | Hennepin | Clean Technology |
| Stratetek LLC | Wright | Clean Technology |
| Stratix Labs Corporation | Ramsey | Biotechnology |
| Subiomed, Inc. | Hennepin | Medical Devices and Equipment |
| SynerFuse | Hennepin | Medical Devices and Equipment |
| Thaddeus Medical Systems, INC | Olmsted | Other |
| Thinking Engines, Inc. | Hennepin | Software |
| Thrivors Inc | Ramsey | Healthcare Services |
| TightKnit, Inc. | Hennepin | Other |
| Travel Labs, Inc. | Hennepin | Software |
| Trijo Tech, Inc. | Anoka | IT Services |
| Tryon Media, LLC | St. Louis | Media and Entertainment |
| Tychon Biosciences, LLC | Hennepin | Biotechnology |
| U.S. Integrity, LLC | Hennepin | Business Products and Services |
| UroCure LLC | Hennepin | Medical Devices and Equipment |
| VISION HOME PRODUCTS, INC. | Le Sueur | Other |
| Visionx LLC | Hennepin | Medical Devices and Equipment |
| VivaQuant, Inc. | Ramsey | Medical Devices and Equipment |
| Volare, Inc | Hennepin | Medical Devices and Equipment |
| Voyager Camper Vans LLC | Hennepin | Travel |
| Wahi Nutrition, Inc. | Hennepin | Food/Drink |
| WAY2B, LLC | Hennepin | Food/Drink |
| We Sparkle LLC | Hennepin | Software |
| Weathervane Labs, LLC | Hennepin | Internet/Web Services |
| Wiser Wings, LLC | Hennepin | Software |
| WTS LLC | Ramsey | Clean Technology |
| ZESA, LLC | Hennepin | Consumer Products and Services |

**Appendix B**

**Minnesota Angel Tax Credit**

**List of Credits Issued**

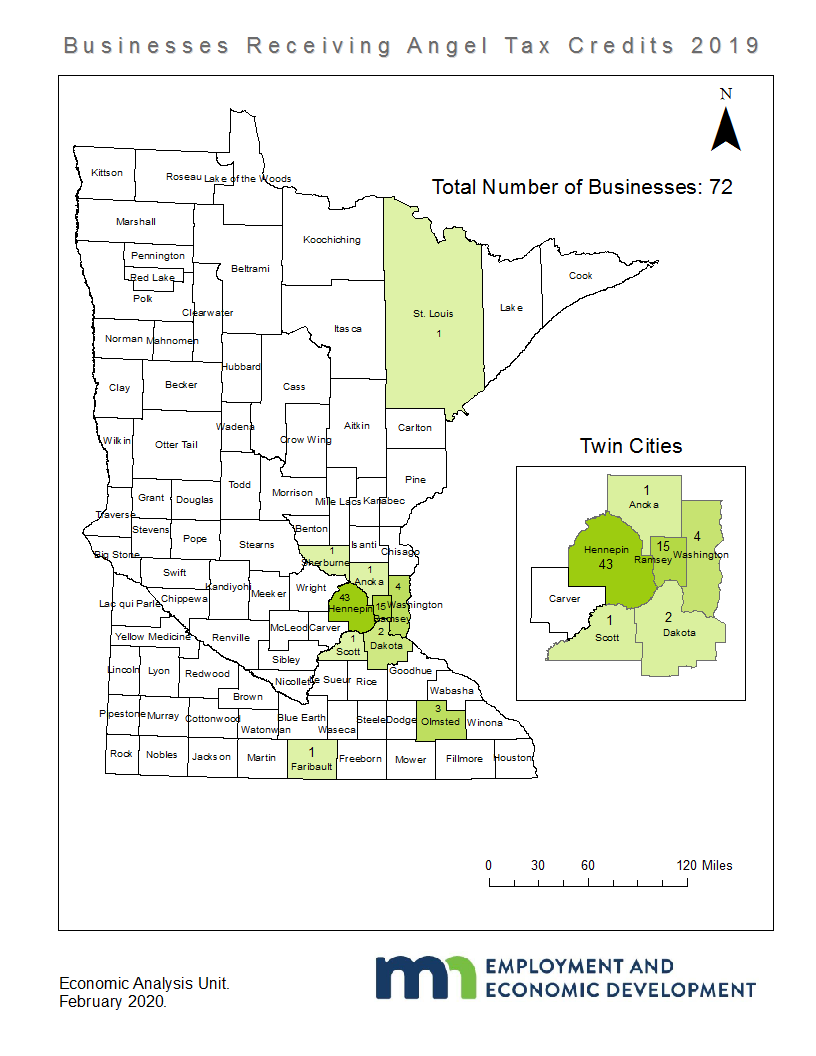
The following businesses have received investments in 2019 that qualified for the Minnesota Angel Tax Credit pursuant to Minn. Stat. 116J.8737. Issuance of these credits solely means that Department of Employment and Economic Development (DEED) has found that the investment meets the requirements specified in the statute and that the qualified investor or qualified fund’s investors are being awarded tax credit certificates under DEED’s Angel Tax Credit Program. Minn. Stat. 116J.8737, Subd. 8, paragraph (a) designates this as public data.

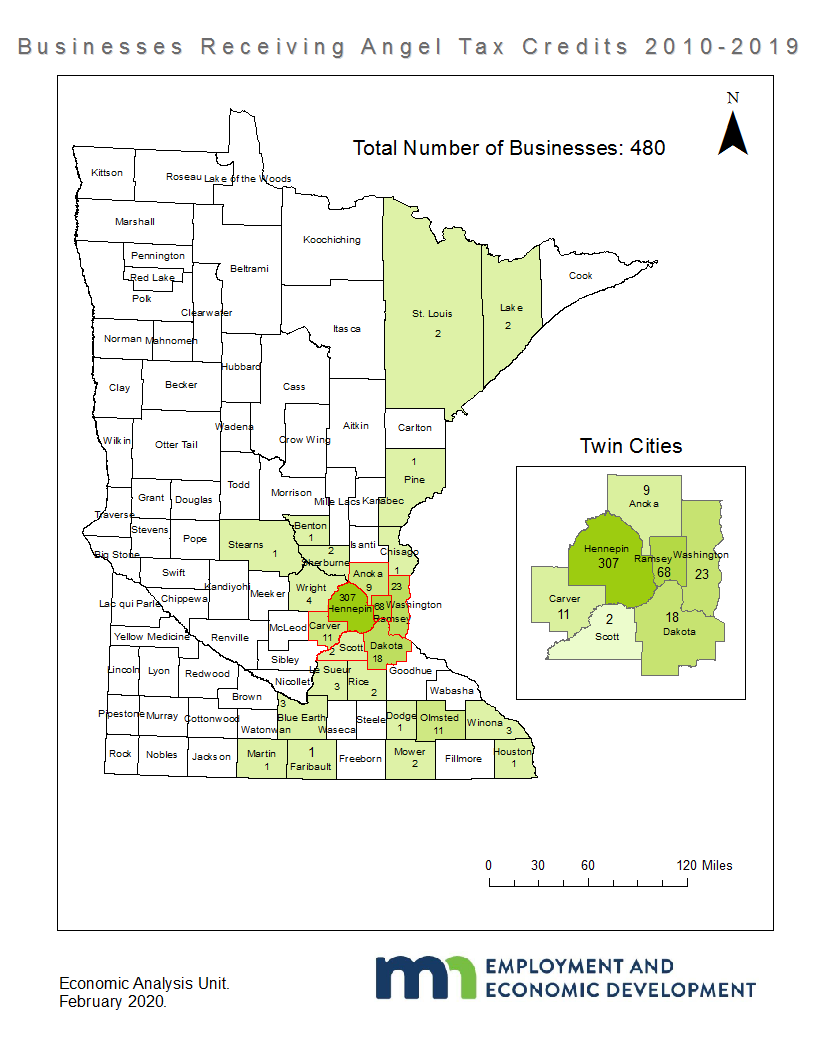
|  |  |  |
| --- | --- | --- |
| **Business Name** | **Investment Amount** | **Tax**  **Credit Amount** |
| ABV Technology, Inc. | $2,080,000 | $520,000 |
| Access Point Technologies EP, Inc. | $3,016,960 | $754,240 |
| ActivOrtho Inc | $618,000 | $154,500 |
| AMX Technologies, LLC | $1,300,000 | $325,002 |
| aNine LLC | $200,000 | $50,000 |
| Aurora Concussion Therapy Systems, Inc. | $50,000 | $12,500 |
| BetterTime Co | $465,000 | $116,250 |
| Bistro Systems LLC | $13,764 | $3,441 |
| Brother Justus Whiskey Co. | $1,086,668 | $271,667 |
| Buzz360, LLC | $135,000 | $33,750 |
| CALYAN TECHNOLOGIES, INC | $805,925 | $201,481 |
| CaptureLife, Inc. | $75,000 | $18,750 |
| CHANL HEALTH INC | $75,000 | $18,750 |
| Checkable Medical, Inc. | $150,000 | $37,500 |
| Civic Eagle | $350,006 | $87,506 |
| Clarity Authentication Systems | $550,000 | $137,500 |
| Claros Technologies Inc. | $400,000 | $100,000 |
| COVR Medical, LLC | $83,333 | $20,833 |
| Crotega, LLC | $72,000 | $18,000 |
| Darcy Solutions, Inc. | $425,000 | $106,250 |
| Entero Innovations, LLC | $1,755,002 | $438,754 |
| Eva Medtec, Inc | $410,000 | $102,500 |
| Froogle, LLC | $95,000 | $23,750 |
| Geneticure, Inc | $1,000,000 | $187,500 |
| GoGlowe, Inc. | $75,000 | $18,750 |
| Hanson Lahre Inc | $60,000 | $15,000 |
| Hoodo, LLC | $500,000 | $125,000 |
| Humble Nut Butter | $15,000 | $3,750 |
| ImagoAI Inc | $70,000 | $17,500 |
| Infinity Robotics LLC | $225,000 | $56,250 |
| Luminary Therapeutics Inc | $1,400,001 | $350,001 |
| Mallbooster, LLC | $600,000 | $150,000 |
| Medic | $200,000 | $50,000 |
| MFr Technologies | $480,000 | $120,000 |
| Motaska Medical, LLC | $750,003 | $187,494 |
| MOTI Sports, Inc. | $80,000 | $20,000 |
| NanoVault Medical, LLC | $75,000 | $18,750 |
| NeoCardial Technologies, LLC | $125,000 | $31,250 |
| Neptune Botanicals LLC | $4,000,000 | $875,000 |
| Netzro SBC | $120,000 | $30,000 |
| Nu-Tek BioSciences, LLC | $845,000 | $211,250 |
| Odonata Health, Inc. | $878,811 | $219,728 |
| Otrafy, Inc | $170,000 | $42,500 |
| Parrot.MD Inc. | $405,000 | $101,250 |
| Pelvital USA, Inc. | $942,916 | $235,731 |
| Peytant Solutions, Inc. | $1,079,501 | $262,518 |
| PFM Solutions, LLC | $35,000 | $8,750 |
| Phenomix Sciences | $10,116 | $2,529 |
| Phoji, Inc | $370,000 | $92,500 |
| Protocol 46 Inc. | $315,000 | $78,750 |
| QuB LLC | $265,000 | $66,250 |
| Ready Okay LLC | $45,000 | $11,250 |
| Recovree Inc. | $155,000 | $38,750 |
| Sarisa Therapeutics, LLC | $600,020 | $150,006 |
| SharpLink, Inc. | $2,562,261 | $640,571 |
| Simpliconnect, Inc. | $335,000 | $83,750 |
| Stratix Labs Corporation | $50,000 | $12,500 |
| Subiomed, Inc. | $772,515 | $193,128 |
| SynerFuse | $835,000 | $208,750 |
| Thaddeus Medical Systems, INC | $50,000 | $12,500 |
| Thinking Engines, Inc. | $289,999 | $72,499 |
| Travel Labs, Inc. | $135,000 | $33,750 |
| Trijo Tech, Inc. | $365,000 | $91,250 |
| Tryon Media, LLC | $794,900 | $198,725 |
| Tychon Biosciences, LLC | $949,980 | $237,496 |
| U.S. Integrity, LLC | $362,750 | $90,688 |
| UroCure LLC | $1,100,000 | $275,000 |
| VivaQuant, Inc. | $120,000 | $30,000 |
| Voyager Camper Vans LLC | $110,000 | $27,500 |
| Wahi Nutrition, Inc. | $190,000 | $47,500 |
| WAY2B, LLC | $700,000 | $175,000 |
| We Sparkle LLC | $50,000 | $12,500 |

**Appendix C**

**Minnesota Angel Tax Credit**

**Maps of Business Distribution**





**Appendix D**

**Minnesota Angel Tax Credit   
List of Qualified Investors**

The following investors have been certified as Qualified Investors under Minnesota Statute 116J.8737. This certification solely means that Minnesota Department of Employment and Economic Development (DEED) has found that each investor meets the qualifications specified in Subdivision 3 of the statute and that each investor is therefore eligible to participate in DEED’s Angel Tax Credit Program.

**2019 Qualified Investors**

|  |  |  |
| --- | --- | --- |
| **Last Name** | **First Name** | **MI** |
| Abdo | John |  |
| Abdo | Paul |  |
| Acuff | Tea |  |
| Ahern | Sharon | M |
| Al-Hilali | Hilal |  |
| Altringer | Larry |  |
| Alworth | Karen | B |
| Anderson | Cody |  |
| Anderson | Russ |  |
| Anderson | Samuel |  |
| Angrimson | Jay | R |
| Apithanakoon | Pattera |  |
| Aplin | Gregory | D |
| Arneson | Michael |  |
| Aronson | Daniel | R |
| Arvidson | Curt | E |
| Arvidson | Jessica |  |
| Austin | Bradley |  |
| Azar | Frederick |  |
| Baarsch | Mary Jo |  |
| Bain | James |  |
| Balow | Brian |  |
| Bamberger | Brent |  |
| Banchy | Cindy |  |
| Banks | Stephen | R |
| Bard | Paul | Z |
| Barkley | Shaun |  |
| Benedict | David |  |
| Benson | Dawn |  |
| Bergstrom | John | C |
| Birk | Benjamin |  |
| Birk | Matthew |  |
| Bishop | Tara | F |
| Blackmon | Matthew |  |
| Blankenship | Thomas |  |
| Block | Robert | W |
| Boddipalli | Viveka |  |
| Boehnen | David |  |
| Bourgeois | Michael |  |
| Bradley | Reid |  |
| Brandenburg | Kirk | M |
| Brengman | Mark |  |
| Brooks | Andrew |  |
| Buckman | Paul |  |
| Buller | Mark |  |
| Buller | Michael |  |
| Bunge | Terrence |  |
| Bunkers | Brian |  |
| Burkhart | Robbie | J |
| BURNS | DOUGLAS | L |
| Burns | Scott |  |
| Buxton | John | A |
| Caldwell | Sandra |  |
| Canfield | Dan |  |
| Carion | Brian |  |
| Carlick | David |  |
| Castro | John | W |
| Castro | Linnea | J |
| Chambers | Jeff | W |
| Charchian | Paul |  |
| chaudhri | akhtar |  |
| Chen | June |  |
| Chew | Ching-Meng |  |
| Choudhri | Ajay |  |
| Christian | Amber |  |
| Clary | Kevin | V |
| Cohen | Anne |  |
| Conis | Lynda |  |
| Connealy | Michael |  |
| Cornelius | Richard |  |
| Cotter | Daren |  |
| Crump | Lisa |  |
| Crutaire | Sasha |  |
| Dahl | Scott |  |
| Daline | David |  |
| Damiani | Austin |  |
| Davis | Daniel |  |
| Dayton | Chadwick | L |
| Deedrick | John | A |
| DeFatta | Robert | J |
| Denning | Joshua |  |
| Detor | Lucas |  |
| Diamond | John |  |
| Dickson | Michael | J |
| Didier | Christopher |  |
| Dietz | Kelly | E |
| Dong | Guo Chan |  |
| Doty | Bryce |  |
| Downey | Thomas |  |
| Dryer | Dan | W |
| Duff | Andrew | S |
| DuVal | Mark |  |
| Eder | Daniel |  |
| Eder | Jonathan |  |
| Egginton | Richard | S |
| Emerson | Martin |  |
| Fafinski | Robert |  |
| Farley | William | F |
| Farrell | Richard |  |
| Fenske | David |  |
| Fish | Frederick |  |
| Fish | HT |  |
| Foley | Kevin | T |
| Folks | Amanda |  |
| Fraley | Andrew | E |
| Frandsen | Gregory |  |
| Frank | Chris |  |
| Franz | Chad | R |
| Franz | Jay | O |
| Franz | Jeremiah |  |
| Fremont-Smith | Matthew |  |
| Friendshuh | Luke |  |
| Friendshuh | Mark | J |
| Gabbert | Shannon |  |
| Gaetz | Ryan |  |
| Gal | Oren |  |
| Gamnerdsiri | Suahattai |  |
| Gange | Gary |  |
| Gardner | Roxane |  |
| Garrett | Carolyn | A |
| GASSNER | ALEXANDER |  |
| Gehman | Anthony |  |
| Gerard | Barbara | A |
| Ghai | Jyotsna |  |
| Giles | David |  |
| Ginnis | Samuel |  |
| Giugno | Neil |  |
| Gjerset | James |  |
| Glasenapp | Michael |  |
| Gougeon | Franck | L |
| Grengs | Mitchell |  |
| Hanson | Clyde | G |
| Hanson | Timothy |  |
| Harmel | Jonathan | B |
| Harris | Michelle |  |
| Harwood | Chad |  |
| Havelka | Otto |  |
| Hawkinson | Alexander |  |
| Hawn | Van Zandt |  |
| Hayes | Holly |  |
| Haymaker | James | N |
| Hays | James | C |
| Healy | Steven |  |
| Hecker | Andrew | R |
| Hegenes | Barbara | J |
| Hein | Timothy | H |
| Hendrickson | Gary |  |
| Henneman | Mark |  |
| Henrich | David |  |
| Henrich | Roberta | J |
| Herman | Douglas | M |
| Herreid II | Warren |  |
| Hilgers | Dean |  |
| Hill | Kathy |  |
| Himle | John |  |
| Hindman | Robert | W |
| Hoeschler | James | W |
| Hopfenspirger | Michael |  |
| Horner | Jill |  |
| Housman | Joseph |  |
| Howe | Rick |  |
| Hrouda | Brian |  |
| Humphrey | Matthew |  |
| Huppert | Theodore | J |
| Hussain | Abrar |  |
| Hyde | Vincent |  |
| Iago | Edward |  |
| Illbeigi | Pedram |  |
| Issis | John |  |
| Jensen | Diana |  |
| Jentoft | Keith |  |
| Johander | Michael |  |
| Johannes | Richard | C |
| Johnson | Charles | R |
| Johnson | David | B |
| Johnson | Jay | S |
| Jones | Cathleen | A |
| Jones | Gregory |  |
| Kaddoura | Serge |  |
| Karnath | John |  |
| Kay | Willem | J |
| Kelleher | Inez |  |
| Kelley | Peter | A |
| Kienholz | Elizabeth | P |
| Knowles | Helen |  |
| Kootsikas | Peter |  |
| Kowalski | Katherine | A |
| Kraemer | Harry |  |
| Kramer | William |  |
| Krawitt | Lester |  |
| Kubitz | Jack | A |
| Lacher | David | S |
| LaFrence | Andrew |  |
| Laird | Thomas | E |
| Lambrecht | William | A |
| Langston | Deborah | P |
| Lankinen | David | W |
| Larson | Ann | M |
| Larson | Van | B |
| Lauenstein | Michael |  |
| Lawhorn | Keith |  |
| Lawyer | Peter |  |
| Leddy | Nicholas |  |
| Lee | Anders |  |
| Lejeune | Michael |  |
| LeMay | Allen |  |
| Lenoir | Eric | L |
| Lepp | Jason |  |
| Leslie | James |  |
| Letscher | Thomas |  |
| Lettmann | John |  |
| Licari | Anita |  |
| Lilly | John | N |
| Lindquist | Thomas |  |
| Lindsay | Joy |  |
| Livingston | Jason |  |
| Lloyd | Ryan |  |
| Lorentzen | Joel |  |
| Lubratt | James |  |
| Maddox | Roderick |  |
| Maher | Joseph | R |
| Malo | Elizabeth | L |
| Manicka | Nisha |  |
| Manley | Patrick | E |
| Manlove | Jeffrey | C |
| Marlin | Kyle | P |
| MATTYS | GERALD | R |
| May | Daniel |  |
| McArdle | Kevin |  |
| McBrayer | Michael | R |
| McDonald | James |  |
| McDonald | Timothy |  |
| McKnight | William |  |
| Meier | Chris |  |
| Meigs | Gerald | A |
| Meola | Jeri |  |
| Mershon | William |  |
| Meyers | Heath | D |
| Mickelson | David |  |
| Miller | Michael |  |
| Moran | Steven |  |
| Moussa | Sam | E |
| Muir | David |  |
| Murdoch | Peter | L |
| Murphy | John | M |
| Nadipalli | Dhanunjay |  |
| Nair | Hareesh |  |
| Nair | Pradeep | K |
| Nanne | Marty |  |
| Nellis | Ryan |  |
| Neville | Richard |  |
| Newman | Edward |  |
| Nicholas | Christopher |  |
| Nindra Krishna | Lakshmi Narayana | |
| Noble | Michael | W |
| O'Brien | Timothy | D |
| O'Sheal | Steven | F |
| Oliver | Brian |  |
| Olson | Mark |  |
| Omer | Boyd | W |
| Osmundson | Eric |  |
| Otterlei | John |  |
| Overholt | Edwin | M |
| Page | Gregory | R |
| Page | Mark | C |
| Pagel | Randy | L |
| Palmer | Patricia |  |
| Papenfuss | Gerald |  |
| Parchariyanon | Supachai |  |
| Patel | Chandrakant | |
| Patel | Hina |  |
| Patel | Mahesh |  |
| Patel | Priya |  |
| Peloso | Ole |  |
| Perrine | Richard |  |
| Peter | Seth |  |
| Peterson | Nancy |  |
| Petrucci | Gary |  |
| Phillips | William | O |
| Phongviratchai | Nara |  |
| Phornpiboonya | Jinnapak |  |
| Pierce | James |  |
| Pillai | Sushil |  |
| Plate | Reinold | H |
| Ploysongsang | Nuanpen |  |
| Polito | Sam |  |
| Pons | Stephen | J |
| Pote | David |  |
| Prischmann | Matthew |  |
| Rahm | Jeffrey |  |
| Raj | Zainul |  |
| Ralph | Andrew | D |
| Rapp | Eric | M |
| Reddy | Madhu |  |
| Reilly Jr | Joseph |  |
| Rengarajan | Sathyakumar | |
| RENGARAJAN | SUBBIAH |  |
| Reymann | Michael |  |
| Reymann | Stephanie |  |
| Rhude | Kent |  |
| Rivkin | Thomas |  |
| Roberts | Steven |  |
| Robkin | Shai |  |
| Roby | Judd |  |
| Rosario | Inell | C |
| Rosenstiel | Patrick |  |
| Rounds | Noah |  |
| Rusinko | Michael |  |
| Ryder | Douglas |  |
| Salmen | Michael | J |
| San Martin | Robert | L |
| Sanford | George | D |
| Sarafolean | Michael |  |
| Sathyakumar | Uma Maheswari | |
| Scalia | Peter |  |
| Schaupp | John |  |
| Scherer | Peter | L |
| Scherer | Rachael |  |
| Schieve | Arlin |  |
| Schleichert | David | C |
| Schuette | Jeffrey | L |
| Schutz | John |  |
| Sease | David |  |
| Seid | Paul |  |
| Seifert | James |  |
| Sell | Neil |  |
| Shah | Manjul |  |
| Silva | Michael |  |
| Silva | William | S |
| Siqveland | Robert |  |
| Skaja | Timothy |  |
| Skowyra | Raymond |  |
| Smith | Brian |  |
| Smith | Edward | B |
| Sommerness | Peter | H |
| Soran | Philip | E |
| Soucheray | Joseph |  |
| Spiegler | Robert |  |
| Sriver | Joe |  |
| Stanovich | Milan |  |
| Stark | Chad |  |
| Stefano | Daniel | A |
| Steinmetz | Stephanie |  |
| Stephen | Richard |  |
| Stewart | John | S |
| Stewart | William |  |
| Stinnett | Barbara |  |
| Stommel | Paul | H |
| Stowers | Terry | L |
| Straface | Daniel |  |
| Stremcha | Jesse |  |
| Summers | Mark |  |
| Sweaney | Bradley |  |
| Swoyer | John | M |
| Tallapaka | Ram |  |
| Tangwall | Gary |  |
| Teigen | Corey |  |
| Teigen | Joshua |  |
| Tharachai | Theerathon |  |
| Theisen | Kenneth |  |
| Thibodeau | Diane |  |
| Thomas | Anish |  |
| Thomas | John | K |
| Thomas | Selene |  |
| Thomas | Spencer |  |
| Thornton | Taige |  |
| Thorsland | Michael |  |
| Toy | Patrick |  |
| Trochman | Byron |  |
| Tune | Kathleen |  |
| Uittenbogaard | John |  |
| Valenziano | Mark |  |
| Van Tassel | Steven |  |
| Vandam | David |  |
| Vaslet | Paul |  |
| VIJAYARAJAN | PRABHU |  |
| Vilailuck | Charoenrath |  |
| Vilailuck | Watchai |  |
| Villari | William | J |
| Wagner | David |  |
| Wagner | Mark |  |
| Walker | Craig |  |
| Wall | Shelly | W |
| Wang | Serena |  |
| Wells | John | P |
| Welsh | Timothy |  |
| Werner | Seth |  |
| Whaley | John |  |
| Whited | Brian | L |
| Wier | Peggy |  |
| Wilhoit | Andrew | R |
| Wilson | Bradley | A |
| Wilson | Katherine |  |
| Wood | Kim | D |
| Wright | Christopher | A |
| Wright | Mark |  |
| Yang | Donna |  |
| Yao | Qing | J |
| Yoder | Rory | A |
| Yotter | Craig |  |
| Youakim | Charlie |  |
| Yukes | Richard | L |
| Zachman | Lee |  |

**Appendix E**

**Minnesota Angel Tax Credit**

**List of Qualified Funds**

The following funds have been certified as Qualified Funds under Minnesota Statute 116J.8737. This certification solely means that Minnesota Department of Employment and Economic Development (DEED) has found that each fund meets the qualifications specified in Subdivision 4 of the statute and that each fund is therefore eligible to participate in DEED’s Angel Tax Credit Program.

**2019 Qualified Funds**

|  |
| --- |
| ERWIN A KELEN FAMILY LTD PARTNERSHIP |
| 633 LLC |
| Abdo Sports Partners, LLP |
| Bear Woods, LLC |
| Biltmore Investments, LLC |
| Callanish Capital Partners LP |
| Capita3 Venture Fund I LP |
| Dawkins Family LLC Two |
| Device Mill Minnesota LLC |
| Invenshure Founders Fund I, LP |
| Jennifer Novak Family Partnerhip, LLLP |
| M25 Fund III, L.P. |
| Northern Plains Fund LLLP |
| P46 Investment Group LLC |
| Seraphim Investments LLC |
| Sofia Angel Fund II LLC |
| Southeast Minnesota Capital Fund LLC |
| Twin Cities Angels III, LLC |
| Twin Ignition Ventures LLC |
| UniteUS Ventures |