

Minnesota Department of Employment and Economic Development
Angel Tax Credit Program
Qualified Fund Checklist

Before completing a Qualified Fund Certification Application, funds should complete this checklist to determine whether they may qualify for certification and its investors for a tax credit under the Angel Tax Credit Program. If a fund can answer “Yes” to each question, the fund and its investors may qualify.

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|---|------------------------------|-----------------------------|
| 1. Is the fund organized as a pass-through entity? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Does the fund have a minimum of 3 investors? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Are all the fund’s investors accredited investors? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| -OR- | | |
| Will the fund only invest in a transaction that is exempt under Minn. Stat. 80A.46 clauses (13) or (14)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| -AND/OR- | | |
| Will the fund only invest in securities registered under Minn. Stat. 80A.50 (b)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Is the fund making an investment in a qualifying business of least \$30,000? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. I understand that investments by the following persons are not eligible for Angel Tax Credit: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Officers investing in the business for which they are elected or appointed by board to manage the daily operations of the business, and their family members* | | |
| • Principals investing in the business for which they have authority to act on behalf of the business, and their family members* | | |
| • 20% owners, with individual and family interests combined, and their family members* | | |

*Family members include siblings, spouse, ancestors, and lineal descendants