



## **KANSAS ANGEL INVESTOR TAX CREDIT PROGRAM** **HOW TO DOCUMENT A CASH INVESTMENT OR TRANSFER TAX CREDIT**

The following information is required by the Kansas Department of Commerce to issue tax credits to Investors or transfer tax credits previously issued. Note: Executives, officers, employees, vendors or independent contractors of a Qualified Kansas Business are not eligible for a tax credit for any investment made in the Qualified Kansas Business.

### **Investment through Individual (Natural Person) Investor:**

- An Investor Summary Table submitted by Qualified Kansas Business
  - Include for each investor -- name, amount of investment, and amount of tax credits requested.
- Copy of check/wire from investor into Qualified Kansas Business.
- Copy of subscription/purchase agreement, signed by company and investor.
- Investor(s) must register online at [www.kansasangels.com](http://www.kansasangels.com) certifying their qualification as an Angel Investor and remit the \$150\* Investor Registration Fee to the Kansas Department of Commerce.

### **Investment through a qualified Permitted Entity Investor (e.g. LLC):**

Note: Tax credits will be issued only to individual (natural persons) Owners of a Permitted Entity. Investment must be directly from Permitted Entity to Qualified Kansas Business. Investment through multiple Permitted Entities (e.g. LLC-1 to LLC-2 to Qualified Kansas Business) will not be eligible for tax credits.

- Copy of the Permitted Entity's operating agreement documenting that it is operated for the sole purpose of making investments in other entities.
- Copy of the capitalization table of the Permitted Entity.
- Copy of the individual investor's check/wire into the Permitted Entity.
- Copy of the Permitted Entity's check/wire into the Qualified Kansas Business.
- Investor(s) must register online at [www.kansasangels.com](http://www.kansasangels.com) certifying their qualification as an Angel Investor and remit a \$150\* Investor Registration Fee to the Kansas Department of Commerce.

### **Notification to Transfer a Kansas Angel Tax Credit:**

- A [Notification of Tax Credit Transfer](#) with original signatures by both the Transferor and Transferee, along with the original tax credit certificate, is mailed to: KAITC Program Manager, Kansas Department of Commerce, 1000 SW Jackson, Suite 100, Topeka, KS 66612.
- The Transferee will need to register online at [www.kansasangels.com](http://www.kansasangels.com) certifying their qualification as an Angel Investor and remit the \$150\* Investor Registration Fee to the Kansas Department of Commerce.
- After receipt of all documentation, Commerce will notify the Kansas Department of Revenue of the request to transfer. Upon approval of the request, Commerce will proceed with issuing an original certificate to the Transferee.
- In the event a tax credit certificate is lost, a certified copy can be obtained from Commerce after remittance of a \$50\* Certificate Replacement Fee.