

HOUSE RESEARCH

Bill Summary

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Overview

Increases the small business investment credit (“angel credit”) allocation in tax years 2015 and 2016 and increases the amount allocated for credits for investments in greater Minnesota businesses or minority or women-owned businesses.

Section

1 **Credit allowed.** Increases the small business investment credit allocation from \$15 million to \$17 million in tax years 2015 and 2016. The amount allocated for credits for investments in greater Minnesota businesses, or minority or women-owned businesses is increased from \$7.5 million to \$8.5 million.

The angel investment credit provides qualified investors in certified small businesses with a refundable income tax credit equal to 25 percent of their investments up to a maximum of \$125,000 (\$250,000 for married joint filers). The credit took effect for tax year 2010 and sunsets after tax year 2016.