



**APPLICATION FOR CERTIFICATION AS A QUALIFIED BUSINESS FOR THE ANGEL INVESTOR TAX CREDIT**  
 NORTH DAKOTA DEPARTMENT OF COMMERCE  
 SFN 61292 (8-2017)

ND Department of Commerce  
 Economic Development &  
 Finance Division Use Only  
 Approved (initial below)  
 Denied  
 Original       In-state  
 Recertified     Out-of-State

**Taxpayer Information**

Company Name			
Primary Contact		Title	Telephone Number
Physical Location of ND Facility		City	State    ZIP Code
Mailing Address		City	State    ZIP Code
Website		Email Address	

**Business Information**

1. Is this business registered with the ND Secretary of State as foreign or domestic? <b>"Domestic" refers to businesses formed under North Dakota laws. "Foreign" refers to businesses created in jurisdictions out-of-state as well as out-of-country.</b> <input type="checkbox"/> Domestic <input type="checkbox"/> Foreign		<b>OFFICE USE ONLY</b>
2a. Type of business: <input type="checkbox"/> Corporation <input type="checkbox"/> Real Estate Investment Trust <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Joint Venture <input type="checkbox"/> Other _____	2b. <input type="checkbox"/> Non-profit <input type="checkbox"/> For-profit  2c. Is this your: <input type="checkbox"/> Principal Office <input type="checkbox"/> Satellite Operation	
3. Is the business in compliance with federal and state securities laws? <input type="checkbox"/> Yes <input type="checkbox"/> No		
4. Is the business either an <b>early-stage</b> or <b>mid-stage</b> private, nonpublicly-traded enterprise? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>See page 2 for definitions of items in bold text.</b>		
5. Number of Employees at This Location		
Actual Number	As of This Date	
Projected Number	As of This Date	
6. Is the business involved in any real estate or <b>real estate activities</b> ? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>See page 2 for definitions of items in bold text.</b>		
7. Describe how this business relies on research or the development of new products and processes in its plans for growth and profitability.		

The undersigned certifies that the information provided in this document is true and accurate.

Applicant (Please print)	Title
Signature	Date

*Consistent with North Dakota law, information contained in the shaded areas will be kept confidential within the North Dakota Department of Commerce and the North Dakota Office of State Tax Commissioner.*

## Qualifications

For investments made after June 30, 2017, an angel investor is entitled to a credit against the income tax liability for investments made by a certified angel fund into qualified businesses. The credit is equal to thirty-five percent of the amount invested by the angel fund on behalf of the angel investor in an **in-state qualified business** and twenty-five percent of the amount invested on behalf of the angel investor in **out-of-state qualified businesses** during the taxable year.

## Definitions

- "Domestic organization" means an organization created under the laws of this state.
- "Early-stage entity" means an entity with annual revenues of up to two million dollars.
- "In-state qualified business" means an early-stage or mid-stage private, nonpublicly traded enterprise that:
  - (1) Is created, or its satellite operation is created, as a for-profit entity under the laws of this state.
  - (2) Has its principal office in this state and has the majority of its business activity performed in this state, except sales activity, or has a significant operation in this state that has or is projected to have more than ten employees in this state.
  - (3) Relies on research or the development of new products and processes in its plans for growth and profitability.
  - (4) Is in compliance with state & federal securities laws.
  - (5) Is not an entity or enterprise which is engaged in real estate development, is a real estate holding company, derives income from the selling or leasing of residential or commercial real estate, or carries on operations in the hotel, restaurant, convention, or hospitality industries, or makes any other similar use of real estate.
- "Investment" means a cash investment in an in-state qualified business or out-of-state qualified business that is made in exchange for common stock, a partnership or membership interest, preferred stock, debt with a mandatory conversion to equity, or an equivalent ownership interest as determined by the tax commissioner.
- "Mid-stage entity" means an entity with annual revenues over two million dollars not to exceed ten million dollars.
- "Out-of-state qualified business" means an early-stage or mid-stage private, nonpublicly traded enterprise that:
  - (1) Is created as a for-profit entity.
  - (2) Relies on research or the development of new products and processes in its plans for growth and profitability.
  - (3) Is in compliance with state & federal securities laws.
  - (4) Is not an entity or enterprise engaged in real estate development, is a real estate holding company, derives income from the selling or leasing of residential or commercial real estate, or carries on operations in the hotel, restaurant, convention, or hospitality industries, or makes any other similar use of real estate.
- "Real estate activities" includes real estate development, a real estate holding company, an entity that derives income from the selling or leasing of residential or commercial real estate, or carries on operations in the hotel, restaurant, convention, or hospitality industries, or makes any other similar use of real estate.

## Instructions for qualified business

Use this form only for certification by the North Dakota Department of Commerce Division of Economic Development and Finance as a qualified business for the Angel Investor Tax Credit under N.D.C.C. § 57-38-01.26.

Submit a completed application to:

North Dakota Department of Commerce  
Economic Development & Finance Division  
Attn: Research Manager  
PO Box 2057  
Bismarck, ND 58502-2057

## If you have any questions...

### Call:

701-328-5300

### Write to:

North Dakota Department of Commerce  
Economic Development & Finance Division  
Attn: Research Manager  
PO Box 2057  
Bismarck, ND 58502-2057

For more information on the North Dakota Angel Investor Tax Credit, please visit:

<http://www.legis.nd.gov/cencode/t57c38.pdf#nameddest=57-38-01p26> and [www.nd.gov/tax/genpubs/business-incentives.pdf](http://www.nd.gov/tax/genpubs/business-incentives.pdf).