

# ANGEL INVESTMENT



## TAX CREDIT PROGRAM REPORT

COVERING AUGUST 2011 – DECEMBER 2014



11/4/2015

Pursuant to Nebraska Revised Statute § 77-6309:

77-6309 (1) By November 15 of each odd-numbered year, the Department of Economic Development shall submit a report to the Legislature and the Governor that includes:

- (a) The number and geographic location of qualified investors;
- (b) The number, geographic location, and amount of qualified investment made into each qualified small business;
- (c) The total amount of all grants, loans, incentives, and investments that are not qualified investments received by each qualified small business since receiving the initial qualified investment
- (d) A breakdown of the industry sectors in which qualified small business are involved;
- (e) The number of actual tax credits issued by project under the Angel Investment Tax Credit Act on an annual basis; and
- (f) The number and annual salary or wage of jobs created at each qualified small business since receiving the initial qualified investment.

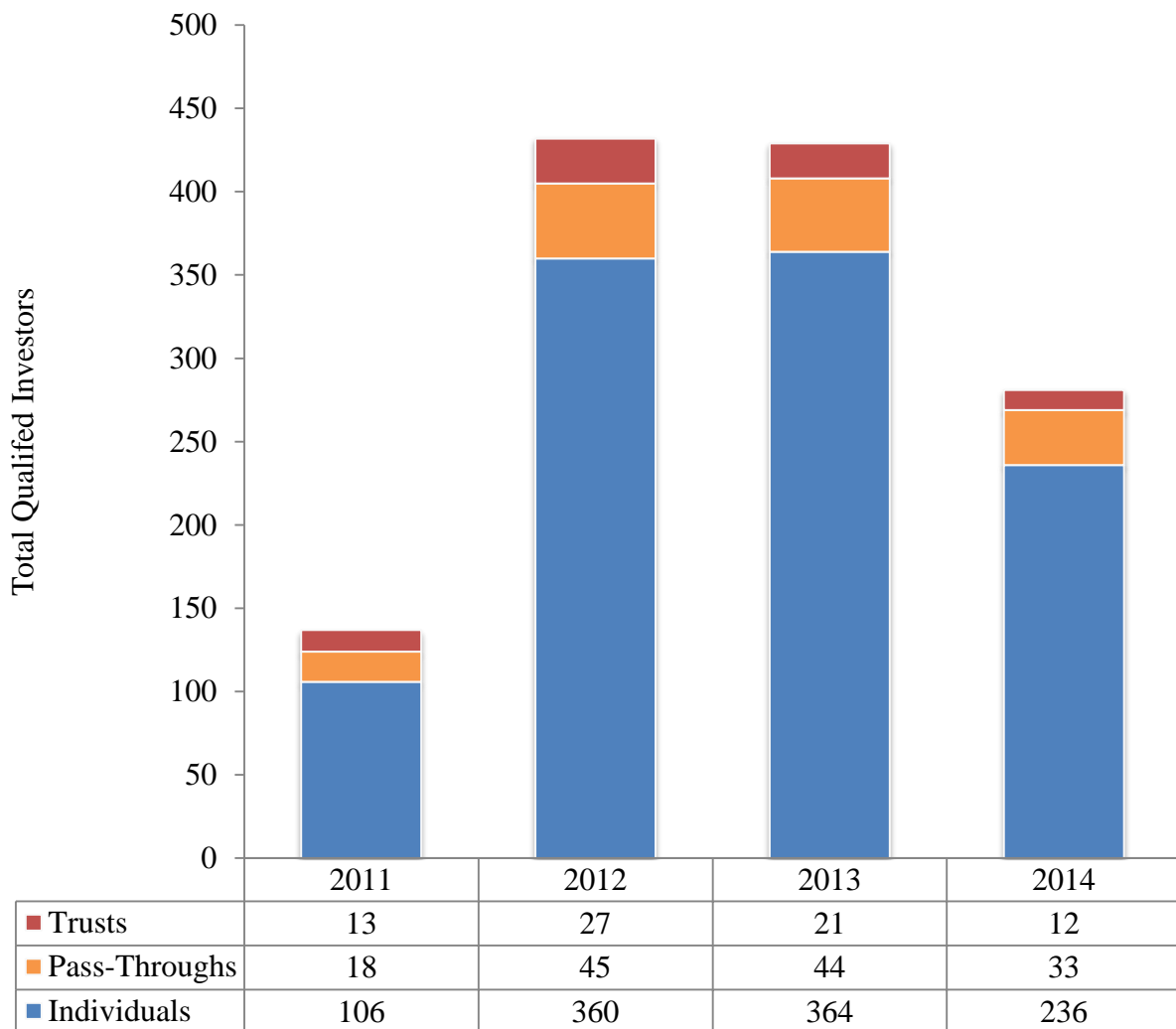
The report submitted to the Legislature shall be submitted electronically.

The following pages comprise the 2015 departmental report.

## Qualified Investors, Counts and Locations

Qualified Investors in the Nebraska Angel Investment Tax Credit Program (AITC) apply for certification as a Investor-Individual, Investor-Trust, or a Investor-Pass-Through-Entity. If approved by the Nebraska Department of Economic Development (DED), the Qualified Investor remains certified for two program calendar years. At any time from the second year of certification forward, Qualified Investors may reapply for certification. For example an investor certified in 2011 for the 2011-2012 calendar years may reapply in 2012 and be certified for the 2012-2013 calendar years. Qualified Investors are counted below in every year they are certified.

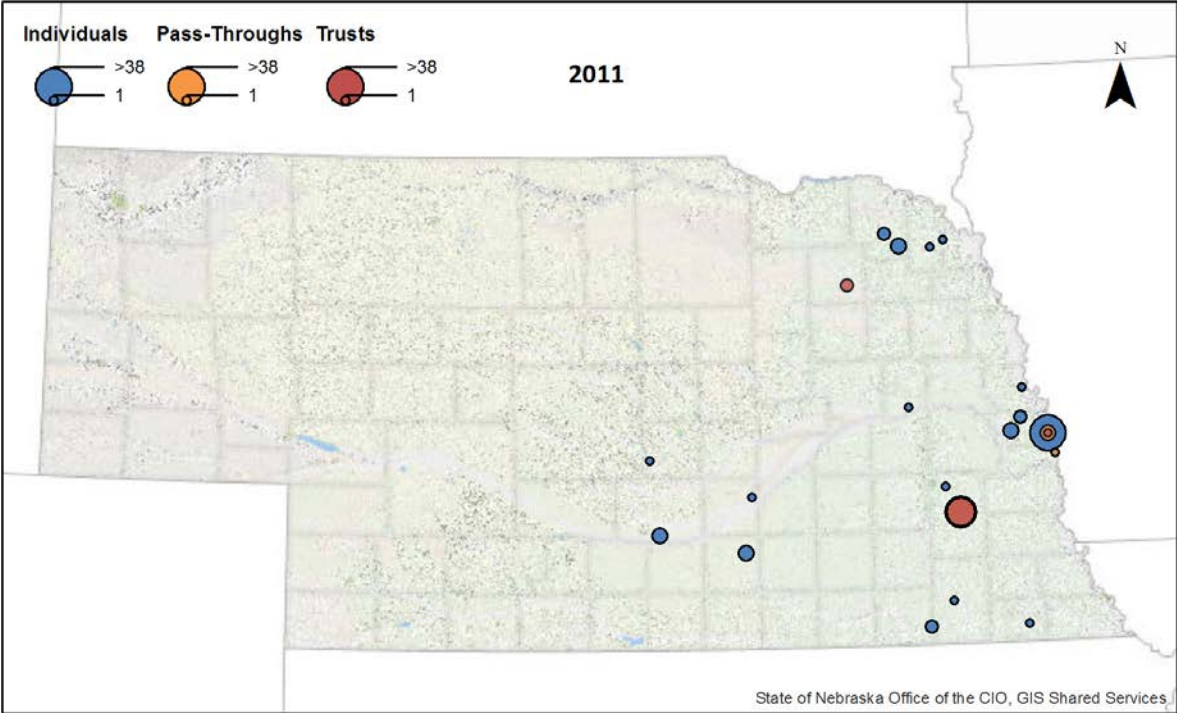
*Qualified Investors by Type by Year, 2011-2014*



In 2011, DED certified 137 Qualified Investors. In 2012, 295 new Qualified Investors were certified for a total of 432. In 2013, 89 new Qualified Investors were certified for a total of 429. In 2014, 112 new Qualified investors were certified for a total of 281 Qualified Investors.

Although Pass-Through-Entity Investors may have underlying member/owners who reside outside of Nebraska, only the Nebraska-Resident member/owners are eligible to receive AITC tax credits.

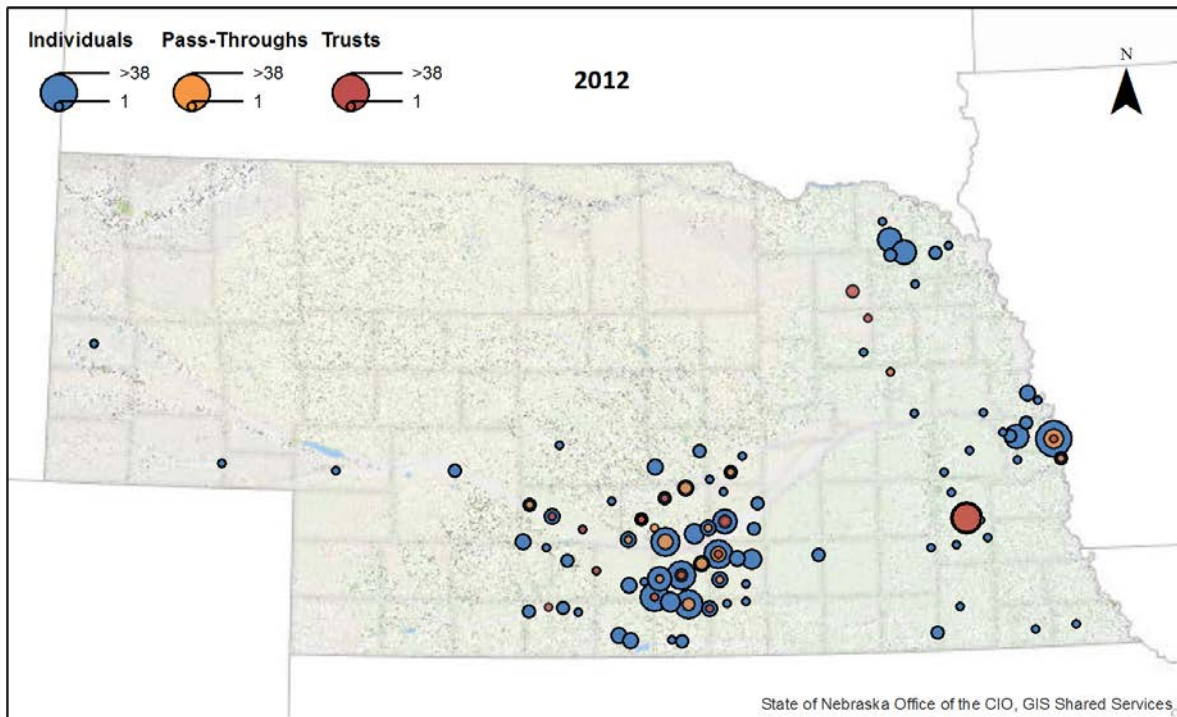
*Qualified Investors by Location 2011*



Location (2011)	Individuals	Pass-Throughs	Trusts
Allen	1		
Amarillo, TX		1	
Beatrice	1		
Bellevue	1	1	
Bennington	2		
Blair	1		
Coleridge	2		
Diller	2		
Elkhorn	3		
Grand Island	1		
Hastings	3		
Kearney	4		
Laurel	3		
Lincoln	19	10	10

<b>Location (2011)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
Litchfield	1		
Omaha	58	4	1
Palo Alto, CA		1	
Pawnee City	1		
Pierce			2
Raymond	1		
Schuyler	1		
Seattle, WA		1	
Waterbury	1		
<b>Grand Total (2011)</b>	<b>106</b>	<b>18</b>	<b>13</b>

### Qualified Investors by Location 2012



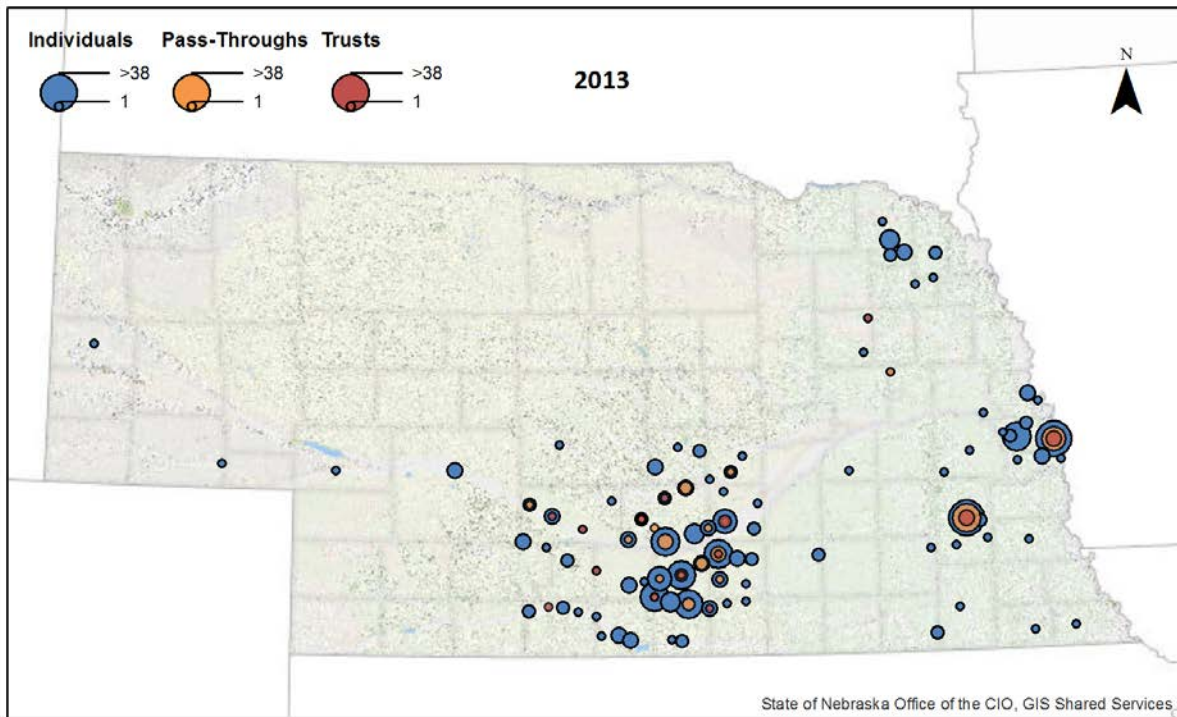
Location (2012)	Individuals	Pass-Throughs	Trusts
Allen	2		
Alma	3		
Amarillo, TX		1	
Amherst	2	1	1
Arapahoe	2		
Ashton	2		
Axtell	7	1	
Ayr	1		
Beatrice	1		
Belden	2		
Bellevue	2	1	
Bennet	1		
Bennington	2		
Bertrand	1		1
Bladen	1		
Blair	4		
Bloomington	1		
Blue Hill	1		
Boelus	1		

<b>Location (2012)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
Cairo	1		
Callaway	1		
Cambridge	2		
Campbell	4		1
Coleridge	7		
Cozad	3		1
Crete	1		
Dannebrog	2	1	
Dawson	1		
De Soto	1		
Diller	2		
Doniphan	2		
Edison	1		
Elkhorn	6		
Elm Creek	4	1	
Elwood	2		
Eustis	1		
Farnam	3		
Franklin	2		
Fremont	1		
Funk	1		
Gibbon	5		
Gothenburg	2	1	
Grand Island	2		
Gretna	1		
Hartington	1		
Hastings	5		
Heartwell	4	2	
Hildreth	5		
Holbrook			1
Holdrege	3		
Holstein	3	1	
Juniata	4		
Kearney	18	4	
Kenesaw	9	3	1
Laurel	7		
Leigh	1	1	
Lexington	1		1

<b>Location (2012)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
Lincoln	37	10	11
Litchfield	4		
Lodgepole	1		
Madison	1		
Martell	1		
Minden	14	2	1
Norfolk			1
North Platte	2		
Ogallala	1		
Omaha	90	5	1
Orleans	4		
Palo Alto, CA		1	
Pawnee City	1		
Pierce			2
Pleasanton	2		1
Ravenna	3	2	
Raymond	1		
Riverdale		1	
Schuyler	1		
Scotts Bluff	1		
Seattle, WA		1	
Shelton	4	1	
St. Paul	1		
Sumner	1		
Sutton	2		
Upland	9	2	
Valley	1		
Valparaiso	1		
Wahoo	1		
Walton	1		
Waterbury	1		
Waterloo	2		
Wayne	1		
Wilcox	10	1	1
Wood River	6	1	2
<b>Grand Total (2012)</b>	<b>360</b>	<b>45</b>	<b>27</b>



### Qualified Investors by Location 2013



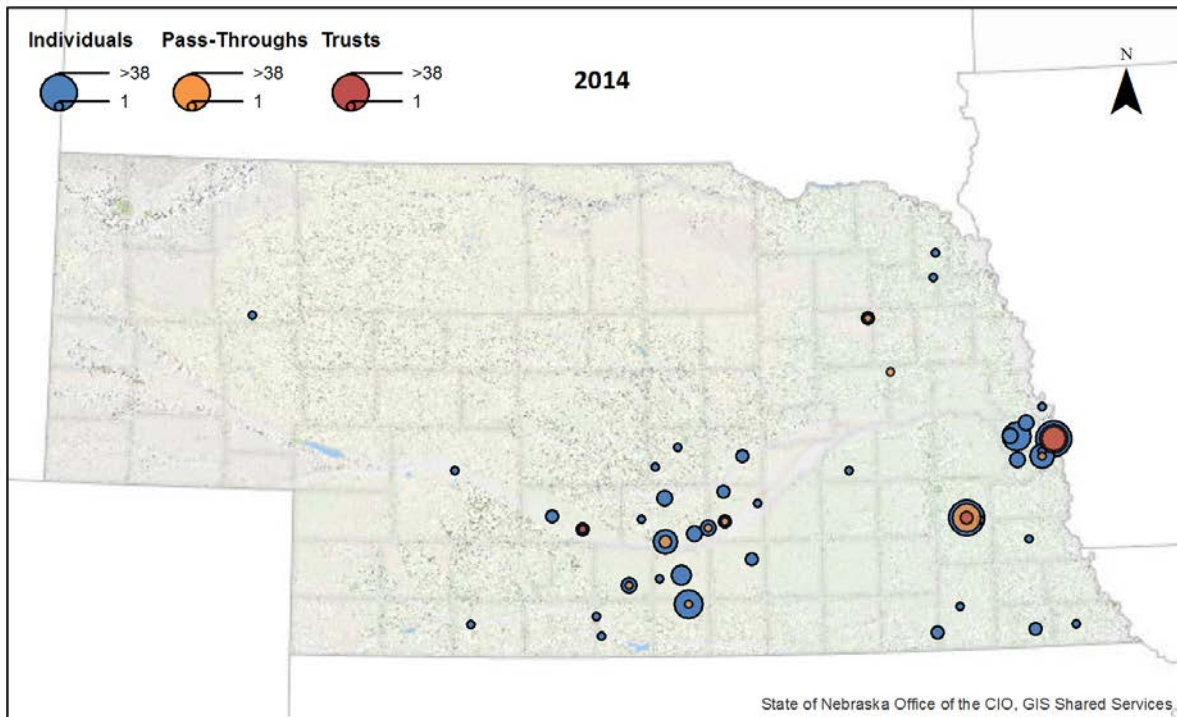
Location (2013)	Individuals	Pass-Throughs	Trusts
Allen	2		
Alma	3		
Amarillo, TX		1	
Amherst	2	1	1
Arapahoe	2		
Ashton	2		
Axtell	7	1	
Ayr	1		
Beatrice	1		
Belden	2		
Bellevue	1		
Bennet	1		
Bennington	2		
Bertrand	1		1
Bladen	1		
Blair	3		
Bloomington	1		
Blue Hill	1		
Boelus	1		

<b>Location (2013)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
Cairo	1		
Callaway	1		
Cambridge	2		
Campbell	4		1
Coleridge	5		
Cozad	3		1
Crete	1		
Dannebrog	2	1	
Dawson	1		
De Soto	1		
Diller	2		
Doniphan	2		
Edison	1		
Elkhorn	10		
Elm Creek	4	1	
Elwood	2		
Eustis	1		
Farnam	3		
Franklin	2		
Fremont	1		
Funk	1		
Gibbon	5		
Gothenburg	2	1	
Grand Island	1		
Gretna	1		
Hartington	1		
Hastings	2		
Heartwell	4	2	
Hildreth	5		
Holbrook			1
Holdrege	3		
Holstein	3	1	
Juniata	4		
Kearney	15	4	
Kenesaw	9	3	1
Laurel	4		
Leigh	1	1	
Lexington	1		1

<b>Location (2013)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
Lincoln	50	8	3
Litchfield	3		
Lodgepole	1		
Loup City	1		
Madison	1		
Martell	1		
Minden	16	2	1
Norfolk	1		1
North Platte	3		
Ogallala	1		
Omaha	81	7	4
Orleans	4		
Oxford	1		
Palo Alto, CA		1	
Papillion	3		
Pawnee City	1		
Pleasanton	2		1
Ravenna	3	2	
Riceville, IA			1
Riverdale		1	
Scotts Bluff	1		
Seattle, WA		1	
Shelton	4	1	
St. Paul	1		
Stamford	1		
Stromsburg	1		
Sumner	1		
Sutton	2		
Syracuse	1		
Upland	9	2	
Valley	1		
Valparaiso	1		
Wahoo	1		
Wakefield	1		
Walton	2		
Waterloo	2		
Wayne	1		
Wilcox	10	1	1

<b>Location (2013)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
Wood River	6	1	2
<b>Grand Total (2013)</b>	<b>364</b>	<b>44</b>	<b>21</b>

### Qualified Investors by Location 2014



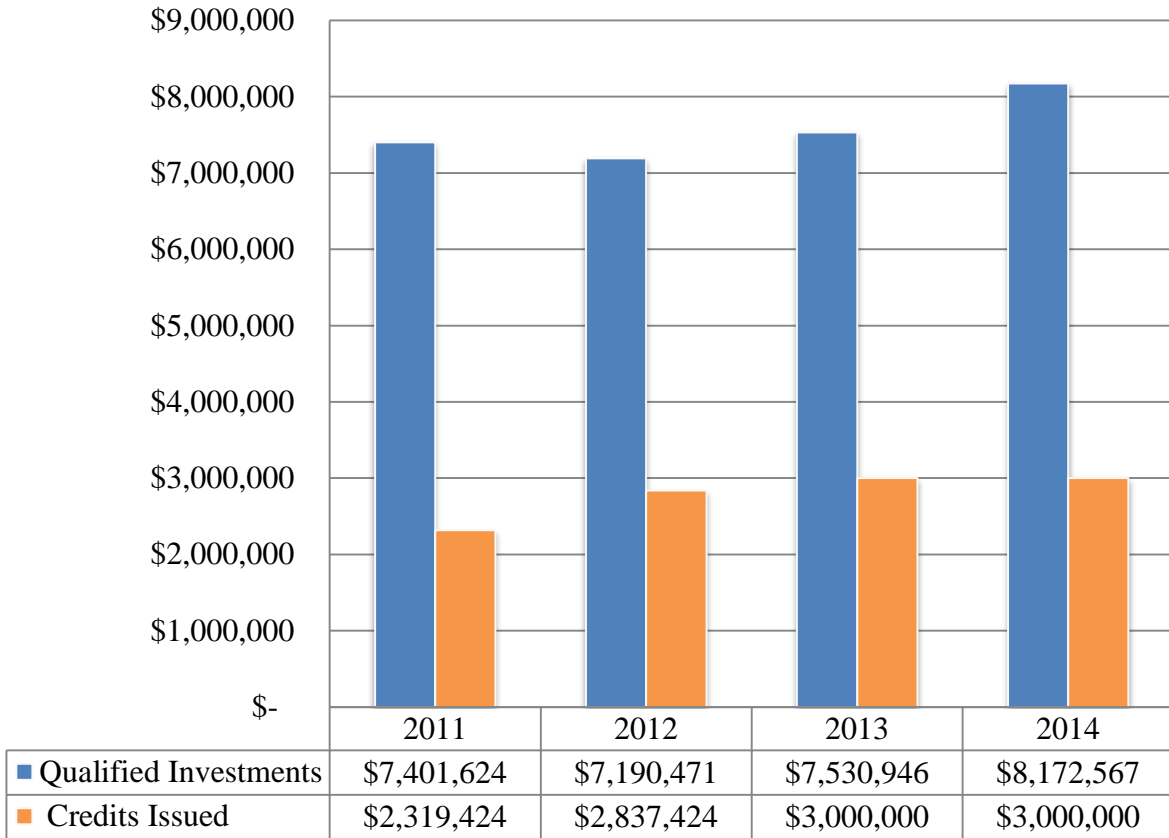
Location (2014)	Individuals	Pass-Throughs	Trusts
Allen	1		
Amarillo, TX		1	
Amherst	1		
Axtell	1		
Beatrice	1		
Bennington	3		
Cairo	2		
Cozad	2		
Dawson	1		
Diller	2		
Elkhorn	12		
Fort Calhoun	1		
Gibbon	4		
Grand Island	1		
Gretna	3		
Hastings	2		
Holdrege	3	1	
Kearney	7	2	

<b>Location (2014)</b>	<b>Individuals</b>	<b>Pass-Throughs</b>	<b>Trusts</b>
La Vista	1		
Lakeside	1		
Leigh		1	
Lexington	2		1
Lincoln	52	9	2
Litchfield	1		
Loup City	1		
McCook	1		
Minden	5		
Norfolk	2	1	
North Platte	1		
Omaha	86	12	7
Oxford	1		
Palo Alto, CA		1	
Papillion	6	1	
Pawnee City	2		
Pleasanton	4		
Riceville, IA			1
Seattle, WA		1	
Shelton	3	1	
Sioux Falls, SD			1
St. Paul	2		
Stamford	1		
Stromsburg	1		
Syracuse	1		
Upland	8	1	
Wakefield	1		
Walton	1		
Waterloo	3		
Wood River	2	1	
<b>Grand Total (2014)</b>	<b>236</b>	<b>33</b>	<b>12</b>

## Qualified Investments, Industry Sectors, and Credits Issued

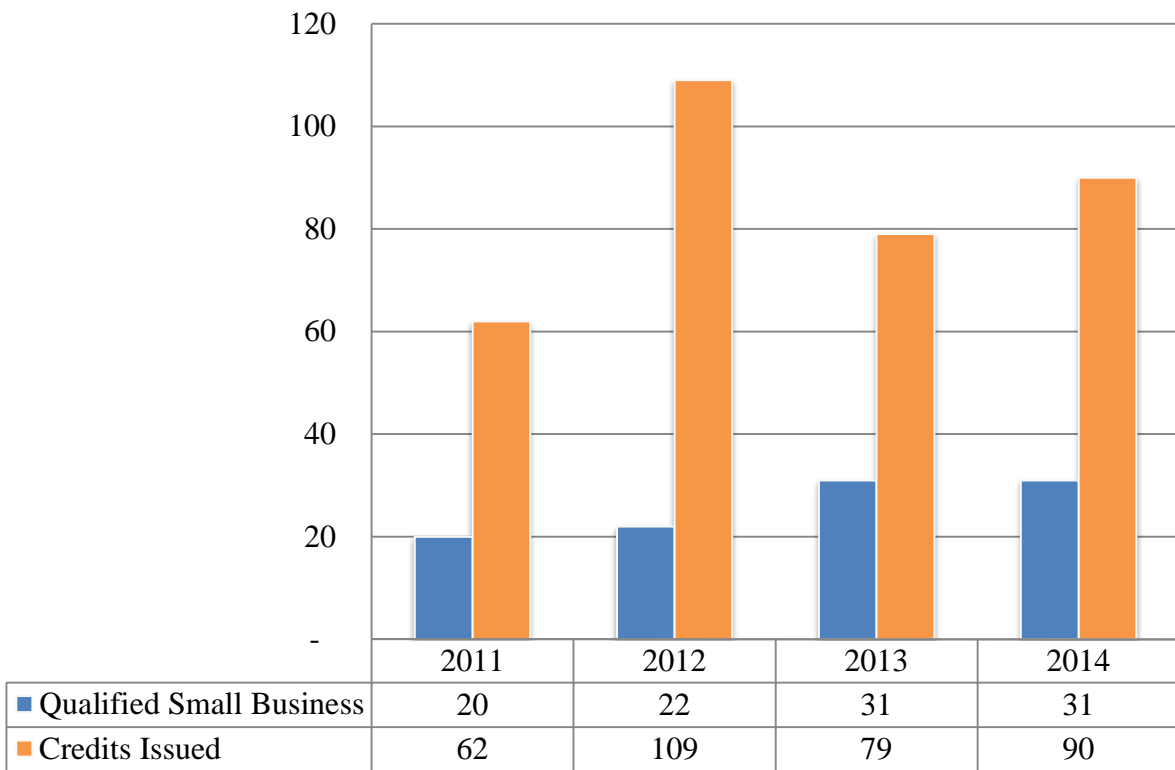
From 2011 to 2014, 340 Qualified Investments were made into 104 Qualified Small Businesses for a total of \$30,295,608 invested and \$11,156,849 in credits issued.

*Total Amounts in (\$) of Qualified Investments & Credits Issued, by year*



In 2011, 62 Qualified Investments were made into 20 Qualified Small Businesses for a total of \$7,401,624 investment and \$2,319,424 credits issued. In 2012, 109 Qualified Investments were made into 22 Qualified Small Bussinesses for a total of \$7,190,471 invested and \$2,837,424 credits issued. In 2013, 79 Qualified Investments were made into 31 Qualified Small Businesses for a total of \$7,530,946 invested and \$3,000,000 in Credits issued. In 2014, 90 Qualified Investments were made into 31 Qualified Small Business for a total of \$8,172,567 invested and \$3,000,000 in credits issued. The average amount of a Qualified Investment from 2011-2014 was \$89,105. The average amount of a credit issued from 2011-2014 was \$32,814.

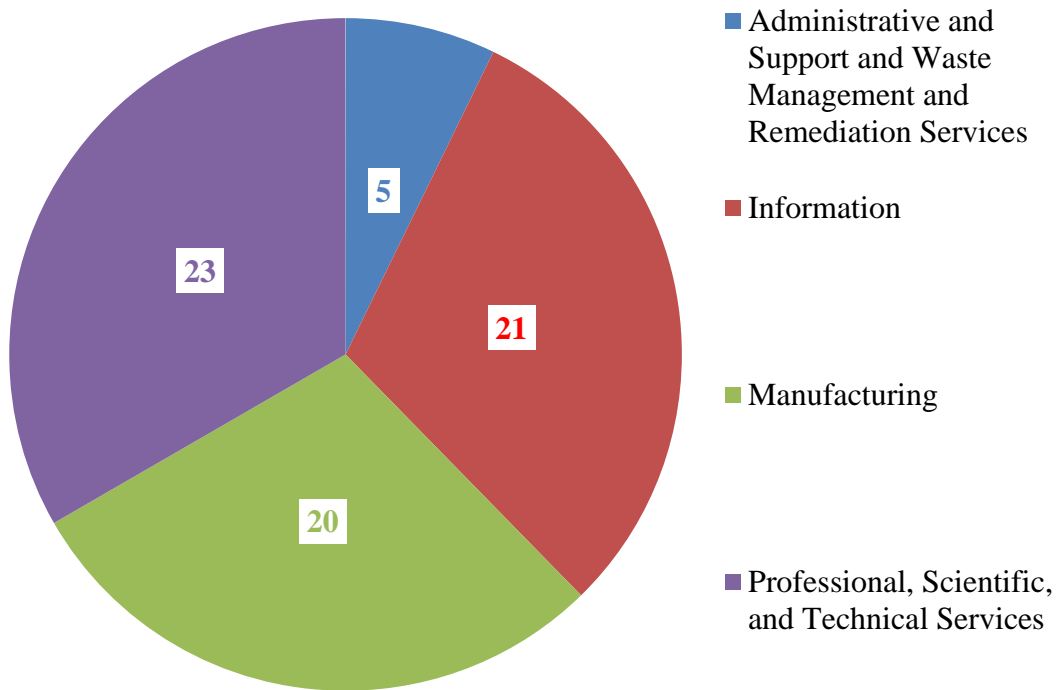
***Number of Qualified Investments & Qualified Small Businesses Recieving Investment, by year***





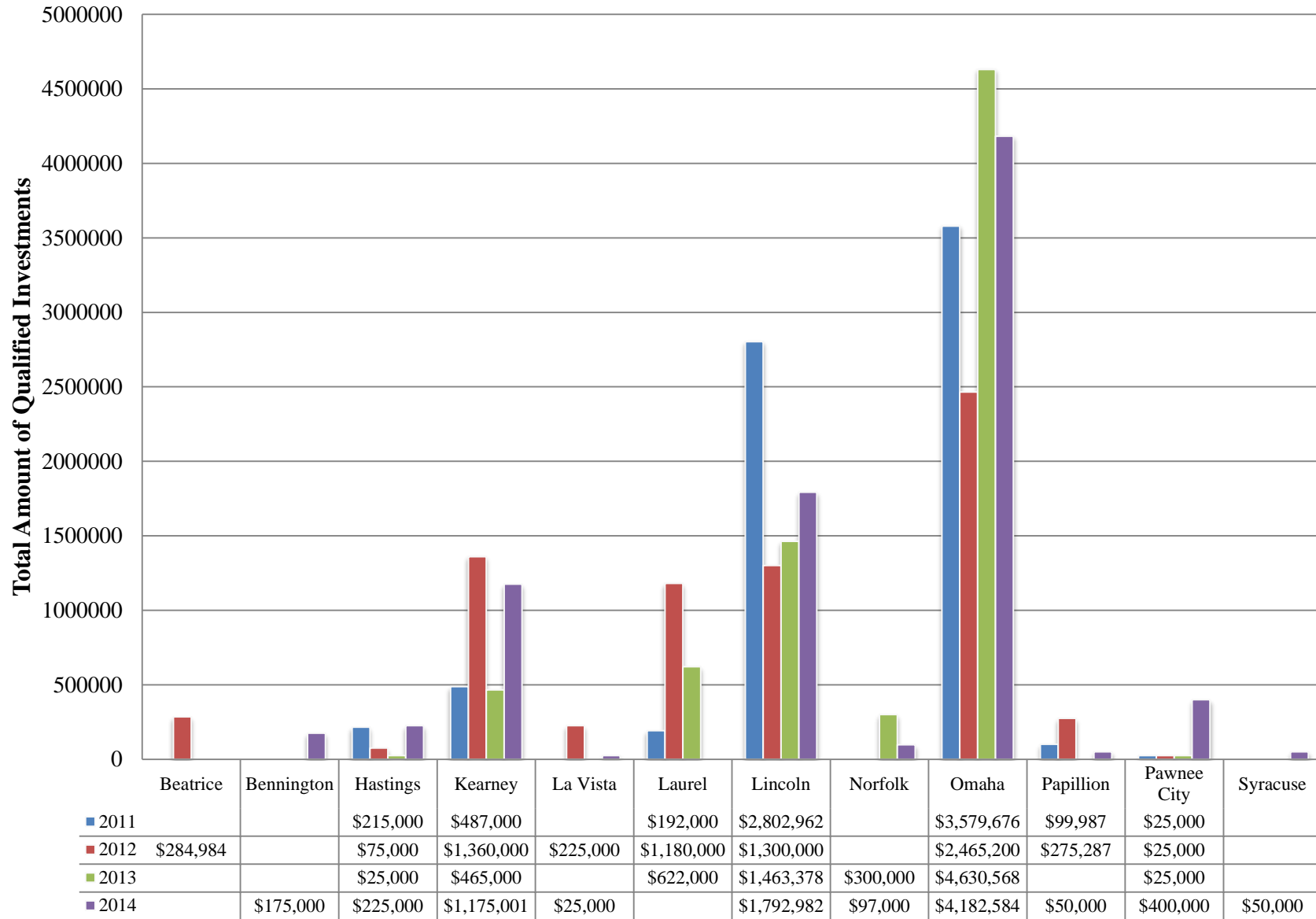
From 2011 to 2014, Qualified Small Businesses were from four industry sectors. Twenty-three Qualified Small Businesses belonged to the Professional, Scientific and Technical Services sector. Twenty-one Qualified Small Businesses belonged to the Information Sector. Twenty Qualified Small Businesses belonged to the Manufacturing sector. Five Qualified Small Businesses belonged to the Administrative and Support and Waste Management and Remediation Services sector.

*Qualified Small Business by Industry Sector, 2011-2014*

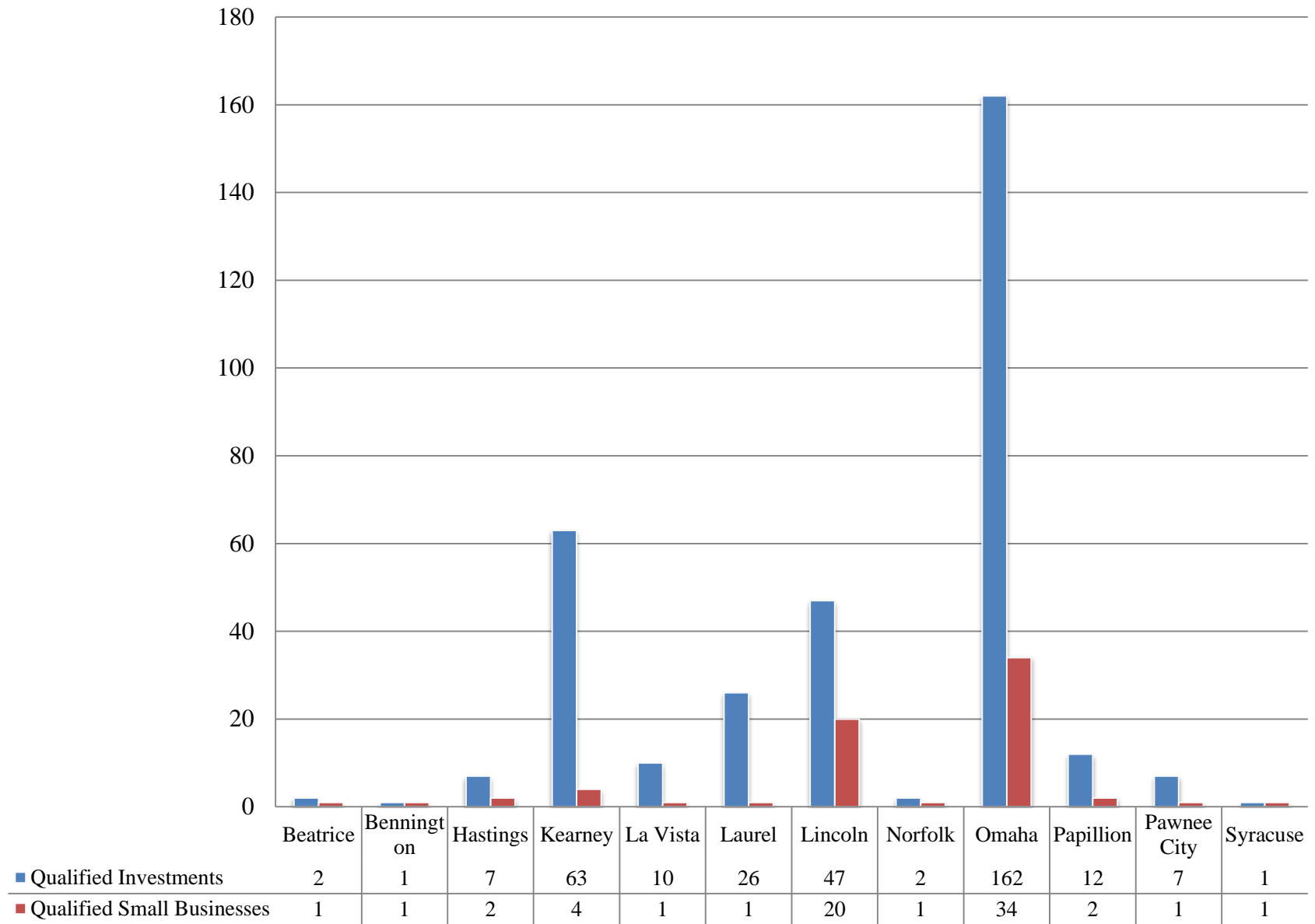


From 2011 to 2014, Qualified Small Business receiving investment were located in Beatrice, Bennington, Hastings, Kearney, La Vista, Laurel, Lincoln, Norfolk, Omaha, Papillion, Pawnee City, and Syracuse.

*Annual Total Amounts of Qualified Investments by City*



*Qualified Small Bussinesses and Number of Qualified Investments by Location*



*Qualified Small Business Receiving Investment, 2011*

<b>Qualified Small Business</b>	<b>Location</b>	<b>Industry</b>	<b>Number of Qualified Investments</b>	<b>Amount of Qualified Investments</b>	<b>Credits Issued</b>
11QSB001	Lincoln	Professional, Scientific, and Technical Services	1	\$25,000	\$10,000
11QSB002	Omaha	Administrative and Support and Waste Management and Remediation Services	2	\$250,000	\$100,000
11QSB007	Omaha	Information	8	\$400,000	\$160,000
11QSB009	Lincoln	Manufacturing	1	\$100,000	\$40,000
11QSB010	Omaha	Professional, Scientific, and Technical Services	9	\$1,044,775	\$237,910
11QSB011	Omaha	Administrative and Support and Waste Management and Remediation Services	2	\$150,000	\$60,000
11QSB014	Lincoln	Information	3	\$150,000	\$60,000
11QSB030	Omaha	Professional, Scientific, and Technical Services	6	\$450,000	\$180,000
11QSB041	Omaha	Information	1	\$30,000	\$12,000
11QSB042	Lincoln	Manufacturing	1	\$500,000	\$200,000
11QSB046	Omaha	Professional, Scientific, and Technical Services	2	\$200,000	\$80,000
11QSB058	Laurel	Manufacturing	4	\$192,000	\$76,800
11QSB062	Papillion	Information	2	\$99,987	\$34,995
11QSB063	Lincoln	Professional, Scientific, and Technical Services	1	\$1,000,000	\$153,391
11QSB065	Lincoln	Professional, Scientific, and Technical Services	1	\$850,000	\$130,383
11QSB071	Hastings	Professional, Scientific, and Technical Services	3	\$215,000	\$86,000
11QSB072	Pawnee City	Manufacturing	1	\$25,000	\$10,000
11QSB114	Kearney	Manufacturing	9	\$487,000	\$194,800

11QSB126	Omaha	Professional, Scientific, and Technical Services	4	\$1,054,901	\$421,960
11QSB235	Lincoln	Manufacturing	1	\$177,962	\$71,185

*Qualified Small Business Receiving Investment, 2012*

<b>Qualified Small Business</b>	<b>Location</b>	<b>Industry</b>	<b>Number of Qualified Investments</b>	<b>Amount of Qualified Investments</b>	<b>Credits Issued</b>
11QSB009	Lincoln	Manufacturing	2	\$400,000	\$160,000
11QSB011	Omaha	Administrative and Support and Waste Management and Remediation Services	5	\$475,000	\$190,000
11QSB030	Omaha	Professional, Scientific, and Technical Services	7	\$510,200	\$204,080
11QSB041	Omaha	Information	2	\$400,000	\$160,000
11QSB046	Omaha	Professional, Scientific, and Technical Services	2	\$150,000	\$60,000
11QSB058	Laurel	Manufacturing	18	\$1,180,000	\$472,000
11QSB059	Beatrice	Manufacturing	2	\$284,984	\$113,993
11QSB060	Omaha	Professional, Scientific, and Technical Services	5	\$275,000	\$110,000
11QSB062	Papillion	Information	9	\$275,287	\$96,351
11QSB071	Hastings	Professional, Scientific, and Technical Services	2	\$75,000	\$30,000
11QSB072	Pawnee City	Manufacturing	1	\$25,000	\$10,000
11QSB081	La Vista	Professional, Scientific, and Technical Services	9	\$225,000	\$90,000
11QSB114	Kearney	Manufacturing	32	\$1,260,000	\$504,000
11QSB235	Lincoln	Manufacturing	1	\$250,000	\$100,000
11QSB239	Kearney	Professional, Scientific, and Technical Services	3	\$100,000	\$40,000
11QSB259	Lincoln	Professional, Scientific, and Technical Services	1	\$50,000	\$20,000
11QSB271	Omaha	Information	1	\$25,000	\$10,000
12QSB015	Omaha	Information	1	\$50,000	\$20,000
12QSB289	Omaha	Professional, Scientific, and Technical Services	1	\$500,000	\$175,000
12QSB294	Omaha	Information	1	\$80,000	\$32,000
12QSB331	Lincoln	Administrative and Support and Waste Management and Remediation Services	2	\$100,000	\$40,000
12QSB347	Lincoln	Information	2	\$500,000	\$200,000

*Qualified Small Business Receiving Investment, 2013*

<b>Qualified Small Business</b>	<b>Location</b>	<b>Industry</b>	<b>Number of Qualified Investments</b>	<b>Amount of Qualified Investments</b>	<b>Credits Issued</b>
11QSB001	Lincoln	Professional, Scientific, and Technical Services	1	\$25,000	\$10,000
11QSB002	Omaha	Administrative and Support and Waste Management and Remediation Services	1	\$150,000	\$60,000
11QSB007	Omaha	Information	4	\$100,000	\$40,000
11QSB009	Lincoln	Manufacturing	2	\$200,000	\$80,000
11QSB014	Lincoln	Information	2	\$175,000	\$70,000
11QSB030	Omaha	Professional, Scientific, and Technical Services	6	\$585,570	\$234,228
11QSB046	Omaha	Professional, Scientific, and Technical Services	1	\$75,000	\$30,000
11QSB058	Laurel	Manufacturing	4	\$622,000	\$248,800
11QSB064	Lincoln	Information	1	\$383,378	\$153,351
11QSB072	Pawnee City	Manufacturing	1	\$25,000	\$10,000
11QSB106	Omaha	Information	1	\$249,998	\$96,864
11QSB114	Kearney	Manufacturing	13	\$425,000	\$170,000
11QSB126	Omaha	Professional, Scientific, and Technical Services	2	\$500,000	\$200,000
12QSB311	Hastings	Professional, Scientific, and Technical Services	1	\$25,000	\$10,000
12QSB327	Omaha	Manufacturing	1	\$80,000	\$32,000
12QSB328	Norfolk	Information	1	\$300,000	\$120,000
12QSB420	Omaha	Information	1	\$250,000	\$100,000
12QSB439	Lincoln	Professional, Scientific, and Technical Services	2	\$270,000	\$108,000
12QSB442	Omaha	Information	2	\$50,000	\$20,000
12QSB455	Lincoln	Manufacturing	1	\$25,000	\$10,000
12QSB469	Kearney	Information	1	\$40,000	\$16,000
12QSB473	Lincoln	Professional, Scientific, and Technical Services	1	\$45,000	\$18,000
13QSB002	Omaha	Information	9	\$275,000	\$110,000

13QSB015	Omaha	Administrative and Support and Waste Management and Remediation Services	2	\$340,000	\$136,000
13QSB058	Omaha	Manufacturing	1	\$400,000	\$160,000
13QSB062	Lincoln	Manufacturing	3	\$75,000	\$30,000
13QSB075	Omaha	Professional, Scientific, and Technical Services	3	\$100,000	\$40,000
13QSB077	Omaha	Manufacturing	5	\$225,000	\$80,757
13QSB078	Lincoln	Manufacturing	1	\$165,000	\$66,000
13QSB085	Omaha	Information	3	\$1,250,000	\$500,000
13QSB103	Lincoln	Manufacturing	2	\$100,000	\$40,000



*Qualified Small Business Receiving Investment, 2014*

<b>Qualified Small Business</b>	<b>Location</b>	<b>Industry</b>	<b>Number of Qualified Investments</b>	<b>Amount of Qualified Investments</b>	<b>Credits Issued</b>
11QSB030	Omaha	Professional, Scientific, and Technical Services	5	\$815,000	\$292,995
11QSB046	Omaha	Professional, Scientific, and Technical Services	4	\$275,000	\$94,873
11QSB072	Pawnee City	Manufacturing	4	\$400,000	\$155,246
11QSB081	La Vista	Professional, Scientific, and Technical Services	1	\$25,000	\$10,000
11QSB114	Kearney	Manufacturing	3	\$150,000	\$51,749
11QSB239	Kearney	Professional, Scientific, and Technical Services	1	\$25,000	\$8,625
12QSB229	Lincoln	Information	1	\$350,000	\$140,000
12QSB328	Norfolk	Information	1	\$97,000	\$34,499
12QSB331	Lincoln	Administrative and Support and Waste Management and Remediation Services	1	\$25,000	\$10,000
12QSB455	Lincoln	Manufacturing	2	\$194,000	\$77,600
12QSB473	Lincoln	Professional, Scientific, and Technical Services	1	\$100,000	\$30,000
13QSB002	Omaha	Information	7	\$405,861	\$140,019
13QSB073	Omaha	Professional, Scientific, and Technical Services	1	\$30,000	\$12,000
13QSB078	Lincoln	Manufacturing	2	\$310,000	\$106,947
13QSB089	Omaha	Professional, Scientific, and Technical Services	5	\$150,000	\$53,124
13QSB103	Lincoln	Manufacturing	4	\$200,000	\$80,000
13QSB157	Bennington	Professional, Scientific, and Technical Services	1	\$175,000	\$68,998
13QSB179	Syracuse	Manufacturing	1	\$50,000	\$20,000
13QSB190	Omaha	Professional, Scientific, and Technical Services	1	\$200,000	\$68,998
13QSB195	Lincoln	Information	1	\$25,000	\$8,625
13QSB198	Omaha	Information	8	\$250,000	\$86,248

13QSB199	Omaha	Professional, Scientific, and Technical Services	23	\$1,075,000	\$370,866
13QSB218	Lincoln	Information	2	\$50,000	\$20,000
14QSB044	Omaha	Manufacturing	2	\$85,000	\$29,324
14QSB050	Kearney	Administrative and Support and Waste Management and Remediation Services	1	\$1,000,001	\$344,992
14QSB072	Omaha	Manufacturing	1	\$225,100	\$90,040
14QSB073	Omaha	Manufacturing	1	\$539,748	\$215,889
14QSB094	Papillion	Professional, Scientific, and Technical Services	1	\$50,000	\$20,000
14QSB140	Omaha	Manufacturing	1	\$131,875	\$52,750
14QSB141	Hastings	Manufacturing	2	\$225,000	\$90,000
14QSB144	Lincoln	Information	1	\$538,982	\$215,593

### **Other Grants, Loans, Incentives, and Investments**

To collect data on the total amount of all grants, loans, incentives, and investments that are not qualified investments received by each qualified small business since receiving the initial qualified investment, a survey of businesses was conducted. Forty-one businesses responded to the survey, and 12 businesses responded to the question. According to the results, the total amount of non-Angel Investment Tax Credit investments was \$1,037,001 or \$86,417 per business.

### **Jobs, Salaries, and Wages**

To collect data on the number of jobs and the annual salary of jobs created at each qualified small business since receiving the initial qualified investment, a survey of businesses was conducted. In all, forty-one businesses responded to the survey. Twenty-four businesses responded to the question concerning job creation. According to the survey results 114 jobs were created or about three jobs per business. Twenty-two businesses responded to the question concerning the annual salary or wage of jobs created. The average annual salary for each created job is \$40,248.