



## **SMALL BUSINESS CAPITAL INVESTMENT TAX CREDIT PROGRAM (the “ANGEL PROGRAM”) 2014 LEGISLATIVE UPDATE<sup>1</sup>**

House Bill 2272, signed by Governor Brewer on April 23, 2014, makes several changes to the Angel Program that are effective July 24, 2014.

The changes are as follows:

1. Extension of the Angel Program. The bill extends the Arizona Commerce Authority’s (the “ACA’s”) authority to issue tax credit approvals under the Angel Program from June 30, 2016 to June 30, 2021. Further, the bill extends the ability of investors to claim Angel Program tax credits from December 31, 2019 to December 31, 2024.
2. Extension of Time for Qualified Investors to File Applications with the ACA. The bill extends from 30 days to 90 days the time period that a qualified investor may file an application seeking Angel Program tax credits after making a qualified investment.
3. Elimination of In-Person Filing Requirement. The bill eliminates the requirement that qualified investors file applications for Angel Program tax credits in person at the ACA’s offices. Consequently, applications for Angel Program tax credits submitted on or after July 24, 2014 must be filed electronically through the ACA’s Electronic Application System (“EASY”).
4. Increase in Maximum Annual Investment by Qualified Investors that Generates Tax Credits. The bill increases from \$250,000 to \$500,000 the maximum annual investment that a qualified investor (and affiliates) may make in qualified small businesses for Angel Program tax credits. (Annual investments exceeding \$500,000 per year do not generate Angel Program tax credits.)

To view House Bill 2272 in its entirety, visit:

[http://www.azleg.gov//FormatDocument.asp?inDoc=/legtext/51leg/2r/laws/0168.htm&Session\\_ID=112](http://www.azleg.gov//FormatDocument.asp?inDoc=/legtext/51leg/2r/laws/0168.htm&Session_ID=112)

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<sup>1</sup> To the extent the above-described provisions conflict with any Program rules, the above-described provisions prevail.