



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

October 31, 2024

The Honorable Andy Beshear, Governor
Office of the Governor
700 Capital Avenue, Suite 100
Frankfort, Kentucky 40601

RE: Kentucky Investment Fund Act (KIFA)

Dear Governor Beshear:

Pursuant to KRS 154.20-264, the Cabinet for Economic Development is required to submit an annual report to the Interim Joint Committee on Appropriations and Revenue and the Governor on the Kentucky Investment Fund Act (KIFA) program. Enclosed is the KIFA annual report for the period from July 1, 2023 through June 30, 2024.

Please contact me at (502) 782-1987 if there are any questions regarding this report.

Sincerely,

A handwritten signature in blue ink that reads "Katie Smith".

Katie Smith,
Deputy Secretary & Commissioner
Kentucky Cabinet for Economic Development

cc: Matthew Wingate

Enclosure



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

October 31, 2024

Senator Christian McDaniel, Co-Chair
Representative Jason Petrie, Co-Chair
Interim Joint Committee Appropriations & Revenue
Legislative Research Commission
Capitol Annex Building
Frankfort, Kentucky 40601

RE: Kentucky Investment Fund Act (KIFA)

Dear Senator McDaniel and Representative Petrie:

Pursuant to KRS 154.20-264, the Cabinet for Economic Development is required to submit an annual report to the Interim Joint Committee on Appropriations and Revenue and the Governor on the Kentucky Investment Fund Act (KIFA) program. Enclosed is the KIFA annual report for the period from July 1, 2023 through June 30, 2024.

Please contact me at (502) 782-1987 if there are any questions regarding this report.

Sincerely,

A handwritten signature in blue ink that reads "Katie Smith".

Katie Smith,
Deputy Secretary & Commissioner
Kentucky Cabinet for Economic Development

cc: Jennifer Hays, LRC
Matthew Wingate

Enclosure

**KENTUCKY INVESTMENT FUND ACT (KIFA)
Annual Report**

July 1, 2023 through June 30, 2024

The Kentucky Investment Fund Act (KIFA) provides up to a 40 percent (40%) nonrefundable tax credit to individuals and corporations that invest in venture capital funds approved by the Kentucky Economic Development Finance Authority (KEDFA) prior to January 1, 2023 and up to a 25 percent (25%) nonrefundable tax credit for funds approved on or after January 1, 2023 when the approved fund makes a qualified investment in a Kentucky small business. This report provides information regarding funds approved under current legislation.

Legislation: The allocation of tax credits under the KIFA program began in 2003. Under the current law, KEDFA provides a one-time approval for a maximum amount of credits to be authorized for a single fund. Each investment is documented and approved as qualified. Eligible credits are then prorated among the individual investors based on the amount of individual cash contributions.

Below is a summary of the venture capital funds that have been approved in this program:

Fund Name	Date Approved	Status	Committed Cash Contributions	Approved Credits*	Maximum Credits*	Authorized Credits**
1 NKY Growth Fund I, LLC	1/27/2011	Active	\$510,000		\$612,000	\$474,295
2 Bluegrass Angel Venture Fund IV, LLC	1/28/2018	Inactive	\$525,000		\$2,100,000	\$2,005,016
3 Strike Ventures Fund I, LLC	1/28/2021	Active	\$1,400,000		\$1,000,000	\$939,997
4 Bluegrass Angel Venture Fund V, LLC	1/28/2021	Active	\$6,500,000		\$2,000,000	\$1,500,102
5 Kentucky Select Fund, LLC	1/28/2021	Active	\$750,000		\$1,000,000	\$675,001
6 Awesome Fund I LLC	10/26/2023	Active	\$1,300,000		\$1,000,000	\$87,500
Grand Total			\$10,985,000		\$7,712,000	\$5,681,911

Inactive Status - Fund status changed to inactive during reporting period.

*Maximum Approved Credits

**Authorized Credits

Below is a summary of the number, type, and geographical location of investors who have invested in approved venture capital funds:

Fund	Number and Type of Investors										Geographic Area of Investors	
	Corporation	Financial Institution	Holding Company	Individual	Insurance Co.	LLC	LP	Non-profit Partnership	SBIA Retirement Trust	Trust		Total Investors
NKY Growth Fund I, LLC			2						4	6		Covington (Northern Kentucky ADD) Bluegrass ADD, KIPDA, Lake Cumberland ADD, Northern Kentucky ADD, Out of State
Bluegrass Angel Venture Fund IV, LLC			65	5					1	71		Louisville (KIPDA) Bluegrass ADD, Louisville (KIPDA), Lake Cumberland ADD, Northern Kentucky ADD, Paducah (PADD), Out of State
Strike Ventures Fund I, LLC	1		15	1					2	19		Bluegrass ADD, Louisville (KIPDA), Lake Cumberland ADD, Northern Kentucky ADD, Paducah (PADD), Out of State
Bluegrass Angel Venture Fund V, LLC			55	9			1		5	70		Bluegrass ADD, Louisville (KIPDA), Out of State
Kentucky Select Fund, LLC			40	8					6	54		Bluegrass ADD, Northern Kentucky ADD, Louisville (KIPDA), Out of State
Awesome Fund I LLC			24	7					2	33		Bluegrass ADD, Northern Kentucky ADD, Louisville (KIPDA), Out of State

Below is a summary of the qualified investments that have been made by the approved venture capital funds:

Fund	Investment	Invest Year	Nature of Small Business	Description of Small Business	Geographic Location	Jobs*	Investment	Credits
NKY Growth Fund I, LLC	1	2011	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$50,000	\$20,000
	2	2011	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$25,000	\$10,000
	3	2012	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$30,000	\$12,000
	4	2013	Healthcare	Healthcare provider education	Covington (Northern Kentucky ADD)		\$100,000	\$40,000
	5	2014	Knowledge solutions	3D printing designs	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	6	2014	Healthcare	Healthcare provider education	Covington (Northern Kentucky ADD)		\$143,000	\$57,200
	7	2015	Information Technology & Communications	Online app for parents	Covington (Northern Kentucky ADD)		\$100,000	\$40,000
	8	2015	Healthcare	Medical device product development	Louisville (KIPDA)		\$50,000	\$20,000
	9	2015	Information Technology & Communications	Customer feedback technology	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	10	2016	Healthcare	Healthcare provider education	Covington (Northern Kentucky ADD)		\$17,737	\$7,095
	11	2017	Other New Economy Knowledge Based Activity	Collectible marketplace	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	12	2017	Information Technology & Communications	Customer feedback technology	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	13	2018	Other New Economy Knowledge Based Activity	Theatre e-commerce	Covington (Northern Kentucky ADD)		\$25,000	\$10,000
	14	2019	Environmental Technology	Biogas technology	Ft. Mitchell (Northern Kentucky ADD)		\$240,000	\$96,000
	15	2020	Information Technology & Communications	Startup sector service platform	Covington (Northern Kentucky ADD)		\$25,000	\$10,000
	16	2021	Information Technology & Communications	Commercial multi-media platform	Covington (Northern Kentucky ADD)		\$75,000	\$30,000
	17	2022	Information Technology & Communications	Commercial multi-media platform	Covington (Northern Kentucky ADD)		\$75,000	\$30,000
	18	2023	Information Technology & Communications	Commercial multi-media platform	Covington (Northern Kentucky ADD)		\$30,000	\$12,000
NKY Growth Fund I, LLC Total							\$1,185,737	\$478,295
Bluegrass Angel Venture Fund IV, LLC	1	2018	Other New Economy Knowledge Based Activity	Agriculture monitoring technology	Nicholasville (Bluegrass ADD)	6	\$100,000	\$36,675
	2	2018	Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	4	\$300,000	\$110,000
	3	2019	Information Technology & Communications	Content management for design teams	Lexington (Bluegrass ADD)		\$200,000	\$73,325
	4	2019	Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)	5	\$99,999	\$36,675
	5	2019	Information Technology & Communications	Health analytics	Louisville (Bluegrass ADD)	5	\$220,000	\$80,675
	6	2019	Bioscience	Medical device technology	Crestwood (KIPDA)	2	\$150,000	\$55,000
	7	2019	Information Technology & Communications	Mobile health information	Lexington (Bluegrass ADD)	7	\$250,000	\$91,675
	8	2019	Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	8	\$100,000	\$36,675
	9	2019	Information Technology & Communications	Content management for design teams	Lexington (Bluegrass ADD)	11	\$100,000	\$36,675
	10	2019	Environmental & Energy Technology	Water treatment technology	Lexington (Bluegrass ADD)	7	\$400,000	\$146,675
	11	2019	Other New Economy Knowledge Based Activity	Catalyst technology	Jeffersonton (KIPDA)	4	\$100,000	\$36,675
	12	2020	Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	7	\$100,000	\$36,676
	13	2020	Software	Video game development	Lexington (Bluegrass ADD)	11	\$500,000	\$183,324
	14	2020	Other New Economy Knowledge Based Activity	Agriculture monitoring technology	Nicholasville (Bluegrass ADD)	1	\$75,000	\$27,500
	15	2020	Information Technology & Communications	sports analytics	Louisville (KIPDA)		\$125,000	\$45,833
	16	2020	Information Technology & Communications	video capture software	Louisville (KIPDA)	21	\$250,000	\$91,667
	17	2020	Bioscience	Pest Control	Lexington (Bluegrass ADD)	2	\$100,000	\$36,667
	18	2020	Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	8	\$150,000	\$55,000
	19	2020	Information Technology & Communications	sports analytics	Louisville (KIPDA)	12	\$125,000	\$45,833
	20	2020	Information Technology & Communications	Mobile health information	Louisville (Bluegrass ADD)	5	\$50,000	\$18,333
	21	2020	Bioscience	Medical device technology	Crestwood (KIPDA)	3	\$100,000	\$36,667
	22	2020	Bioscience	Toxicology and genetic testing	Lexington (Bluegrass ADD)	11	\$200,000	\$73,333
	23	2020	Information Technology & Communications	Health analytics	Lexington (Bluegrass ADD)	2	\$100,000	\$36,667
	24	2020	Health & Human Development	Mobile health information	Paducah (Purchase ADD)		\$20,000	\$7,333
	25	2020	Health & Human Development	Healthcare IT Software	Louisville (KIPDA)		\$10,000	\$3,667
	26	2020	Information Technology & Communications	Web-based calendar syncing software	Prospect (KIPDA)	1	\$10,000	\$3,667
	27	2020	Information Technology & Communications	Fundraising platform for fitness activities	Prospect (KIPDA)	3	\$30,000	\$11,000
	28	2020	Other New Economy Knowledge Based Activity	STEM education	Louisville (KIPDA)	2	\$10,000	\$3,667
	29	2020	Bioscience	Pest Control	Lexington (Bluegrass ADD)		\$20,000	\$7,324
	30	2020	Materials Science & Advanced Manufacturing	Manufacturing of ultra-small technology compone	Nicholasville (Bluegrass ADD)	2	\$250,000	\$91,667
	31	2021	Environmental & Energy Technology	Software platform that manages residential electri	Louisville (KIPDA)	20	\$150,000	\$55,000
	32	2021	Health & Human Development	Cancer support products	Lexington (Bluegrass ADD)		\$10,000	\$3,667
	33	2021	Environmental & Energy Technology	Manufacturer of precious metal catalysts	Louisville (KIPDA)		\$150,000	\$55,000
	34	2021	Environmental & Energy Technology	Water treatment technology	Lexington (Bluegrass ADD)	11	\$250,000	\$91,667
	35	2021	Information Technology & Communications	Cloud based veterinary practice management soft	Lexington (Bluegrass ADD)		\$125,000	\$45,833
	36	2021	Bioscience	Medical device technology	Crestwood (KIPDA)		\$50,000	\$18,333
	37	2021	Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)		\$100,000	\$36,667
	38	2021	Health & Human Development	Mobile health information	Lexington (Bluegrass ADD)		\$75,000	\$27,500

NKY Growth Fund I	1	2011 Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)	\$50,000	\$20,000
	39	2022 Information Technology & Communications	Patient-centric software for optimizing organ proc	Lexington (Bluegrass ADD)	\$50,000	\$18,333
	40	2022 Bioscience	Pest Control	Lexington (Bluegrass ADD)	\$100,000	\$36,667
	41	2022 Environmental & Energy Technology	Manufacturer of precious metal catalysts	Louisville (KIPDA)	\$63,088	\$23,132
	42	2023 Materials Science & Advanced Manufacturing	Manufacturing of ultra-small technology compone	Lexington (Bluegrass ADD)	\$100,000	\$36,667
Bluegrass Angel Venture Fund IV, LLC Total					\$5,468,087	\$2,005,016
Strike Ventures Fund I, LLC	1	2021 Information Technology & Communications	Data architecture & advanced analytics	Louisville (KIPDA)	\$599,995	\$239,998
	2	2021 Information Technology & Communications	Social media platform w/ proprietary information	Louisville (KIPDA)	\$250,000	\$100,000
	3	2021 Information Technology & Communications	Data architecture & advanced analytics	Louisville (KIPDA)	\$349,998	\$140,000
	4	2021 Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	\$350,000	\$140,000
	5	2021 Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	\$3	\$59,999
	6	2022 Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	\$4	\$100,000
	7	2023 Information Technology & Communications	Real estate firm management through SaaS	Louisville (KIPDA)	\$150,000	\$60,000
	8	2024 Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	\$100,000	\$40,000
	9	2024 Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	\$150,000	\$60,000
Strike Ventures Fund I, LLC Total					\$2,349,991	\$939,997
Bluegrass Angel Venture Fund V, LLC	1	2021 Information Technology & Communications	Cloud based veterinary practice management soft	Lexington (Bluegrass ADD)	\$125,000	\$45,000
	2	2021 Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	\$299,997	\$108,619
	3	2021 Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)	\$100,000	\$36,667
	4	2021 Health & Human Development	Mobile health information	Lexington (Bluegrass ADD)	\$75,000	\$27,500
	5	2022 Information Technology & Communications	Patient-centric software for optimizing organ proc	Lexington (Bluegrass ADD)	\$150,000	\$55,000
	6	2022 Environmental & Energy Technology	Food manufacturing technology	Louisville (KIPDA)	\$150,000	\$55,000
	7	2022 Bioscience	Pest Control	Lexington (Bluegrass ADD)	\$1	\$150,000
	8	2022 Information Technology & Communications	AI software to edit and produce podcasts	Prospect (KIPDA)	\$3	\$250,000
	9	2022 Environmental & Energy Technology	Food manufacturing technology	Louisville (KIPDA)	\$36,667	\$36,667
	10	2022 Information Technology & Communications	Manufacturer of precious metal catalysts	Louisville (KIPDA)	\$250,000	\$91,667
	11	2023 Information Technology & Communications	AI e-commerce software	Louisville (KIPDA)	\$200,000	\$73,333
	12	2023 Information Technology & Communications	AI software to edit and produce podcasts	Prospect (KIPDA)	\$50,000	\$18,333
	13	2023 Information Technology & Communications	platform for a complete lung cancer screening mar	Lexington (Bluegrass ADD)	\$250,000	\$91,667
	14	2023 Bioscience	Medical device technology	Crestwood (KIPDA)	\$200,000	\$73,333
	15	2023 Information Technology & Communications	AI e-commerce software	Louisville (KIPDA)	\$200,000	\$73,846
	16	2023 Environmental & Energy Technology	Water treatment technology	Lexington (Bluegrass ADD)	\$400,000	\$147,692
	17	2023 Information Technology & Communications	Enterprise Software	Lexington (Bluegrass ADD)	\$450,000	\$165,000
	18	2023 Information Technology & Communications	Software development	Covington (Northern Kentucky ADD)	\$250,000	\$91,667
	19	2023 Information Technology & Communications	Case management software	Lexington (Bluegrass ADD)	\$250,000	\$92,308
	20	2023 Bioscience	Parasight diagnostic system	Lexington (Bluegrass ADD)	\$19,426	\$7,173
	21	2023 Information Technology & Communications	platform for a complete lung cancer screening mar	Lexington (Bluegrass ADD)	\$100,000	\$36,923
	22	2024 Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)	\$49,998	\$18,461
	23	2024 Environmental & Energy Technology	Water treatment technology	Lexington (Bluegrass ADD)	\$20,518	\$7,576
Bluegrass Angel Venture Fund V, LLC Total					\$4,089,939	\$1,500,102
Kentucky Select Fund, LLC	1	2021 Information Technology & Communications	Enterprise Software	Lexington (Bluegrass ADD)	\$150,000	\$60,000
	2	2023 Information Technology & Communications	Video game development	Lexington (Bluegrass ADD)	\$50,000	\$20,000
	3	2023 Information Technology & Communications	Enterprise Software	Lexington (Bluegrass ADD)	\$37,498	\$14,999
	4	2023 Information Technology & Communications	Video game development	Lexington (Bluegrass ADD)	\$1,450,004	\$580,002
Kentucky Select Fund, LLC Total					\$1,687,503	\$675,001
Awesome Fund I LLC	1	2023 Information Technology & Communications	Social media platform w/ proprietary information	Louisville (KIPDA)	\$100,000	\$25,000
	2	2023 Information Technology & Communications	Custom software development to aid in the decisio	Louisville (KIPDA)	\$50,000	\$12,500
	3	2024 Materials Science & Advanced Manufacturing	Technology based bedsheets, pillowcases and sie	Louisville (KIPDA)	\$100,000	\$25,000
	4	2024 Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	\$100,000	\$25,000
Awesome Fund I LLC Total					\$350,000	\$87,500
Grand Total					\$15,131,257	\$5,681,911

* Jobs reported in active funds' most recent annual report