

154.20-236 Total amounts of tax credit that may be awarded -- Administrative regulations -- Contract for administration and management of certification and application procedure.

- (1) The total amount of credit that may be awarded by the authority in each calendar year, pursuant to KRS 154.20-230 to 154.20-240, to:
 - (a) All qualified investors shall be no more than three million dollars (\$3,000,000); and
 - (b) Any individual qualified investor shall be no more than two hundred thousand dollars (\$200,000).
- (2) (a) The total amount of credit that may be awarded by the authority to:
 1. All qualified investors pursuant to KRS 154.20-230 to 154.20-240; and
 2. All investors in all investment funds pursuant to KRS 154.20-250 to 154.20-284;shall be no more than forty million dollars (\$40,000,000) in total for all years prior to December 31, 2020.
 - (b) Beginning on or after January 1, 2021, the amount of credit that may be awarded by the authority in each calendar year shall be equal to the amount provided in subsection (1) of this section.
 - (c) The authority shall not grant preliminary or final approval for applications received for the Kentucky Angel Investment Act on or after January 1, 2019, but may resume approving applications received on or after January 1, 2021.
- (3) The authority shall, by promulgation of an administrative regulation, develop a standard procedure for:
 - (a) Small businesses and investors to request certification for participation in the program;
 - (b) Qualified investors to request certification of a planned investment as being a qualified investment, and to apply for a credit; and
 - (c) The award of credits to qualified investors making qualified investments.
- (4) At a minimum, the procedure shall:
 - (a) Require small businesses and investors to demonstrate to the authority that they, and any planned investment, satisfy all requirements provided in KRS 154.20-234;
 - (b) Provide small businesses and investors with a standard written application form to request certification and apply for a credit;
 - (c) Require the payment of a fee; and
 - (d) Mandate a time period for the duration of certifications granted to small businesses and investors, and the procedures for recertification thereof.
- (5) The amount of credit awarded shall not exceed:
 - (a) Twenty-five percent (25%) of the amount of the qualified investment, if the principal place of business of the qualified small business is outside a heritage county; or
 - (b) Forty percent (40%) of the amount of the qualified investment, if the principal

place of business of the qualified small business is in a heritage county.

- (6) Upon approval of a credit, the authority shall reduce the amount of available credit by the amount of credit approved to the qualified investor.
- (7) The authority may, in effectuating this section, contract with a science and technology organization as defined in KRS 164.6011 to administer and manage the certification and application procedure established by the authority. However, the final approval of all credits shall be made solely by the authority.

Effective: April 27, 2026

History: Amended 2026 Ky. Acts ch. 198, sec. 27, effective April 27, 2026. -- Amended 2020 Ky. Acts ch. 76, sec. 2, effective July 15, 2020. -- Amended 2018 Ky. Acts 207, sec. 98, effective April 27, 2018. -- Created 2014 Ky. Acts ch. 102, sec. 24, effective July 15, 2014.