



OFFICE OF THE GOVERNOR
BRUCE RAUNER

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Governor Rauner enacts law to revive, extend Angel Investment Tax Credit

*Spearheaded by Lt. Gov. Sanguinetti, this bipartisan
reauthorization incentivizes investment in innovation*

SPRINGFIELD (Aug. 24, 2017) – Gov. Bruce Rauner today signed SB 2012 into law, reviving an expired tax credit that encourages investment dollars into early-stage, innovative companies in Illinois.

The Angel Investment Tax Credit, which expired last December, allows investors to take a 25 percent tax credit on a minimum \$10,000 investment in eligible small businesses. Qualifying companies must have fewer than 100 employees and be principally engaged in innovation or technology in Illinois.

“It is crucial for the future success of our state that we enact pro-growth economic measures to make Illinois a more business friendly environment,” Gov. Rauner said. “A key piece of that is fostering innovation and technology development amongst entrepreneurs who are trying to grow their small business. This important tax credit will help entrepreneurs succeed, including those who are typically underrepresented in the technology sector.”

The new law revives and extends the credit for five years and caps the program at \$10 million annually. For the first time, the law sets aside \$500,000 for investment specifically in businesses in rural Illinois counties and another \$500,000 for businesses

owned by women, minorities and people with disabilities. The previous tax credit expired Dec. 31, 2016.

Lt. Gov. Evelyn Sanguinetti, who chairs the Governor's Rural Affairs Council, led a bipartisan coalition of legislators to reauthorize the Angel Investment Tax Credit and include the set-asides for underserved communities.

"I applaud Governor Rauner for signing this bill to help encourage investment in early-stage, innovative companies in our state," Lt. Gov. Sanguinetti said. "And for the first time, this program will set aside much needed funds to help small, innovative businesses in rural Illinois and those owned by women, minorities and people with disabilities. This is a tremendous tool that will help spur innovation in our state and create much-needed jobs in our rural counties and throughout Illinois."

Lt. Gov. Sanguinetti, who chairs the Governor's Rural Affairs Council, worked with several state legislators on this bill, including Sen. Chuck Weaver (R-37), Sen. Dale Fowler (R-59), Sen. Daniel Biss (D-9), Rep. Grant Wehrli (R-41), Rep. Carol Sente (D-59), Rep. Jaime Andrade Jr. (D-40) and Rep. Elgie Sims (D-34).

"As we compete in a global job market, it is more important than ever that we grow jobs locally by incentivizing investors to offer opportunities for otherwise unfunded entrepreneurs and startups as our future job creators," said Sen. Chuck Weaver (R-Peoria). "Encouraging these types of investments will help us grow jobs and businesses that will allow our economy to expand for years to come."

"It was a pleasure to work with the lieutenant governor, DCEO, Sen. Weaver and the Small Business Advocacy Council on the extension of the expired Angel Tax Credit through SB 2012," said Rep. Sente (D-Vernon Hills). "Seven bills were filed on this topic by various legislators, including myself. The lieutenant governor went out of her way to gather the various stakeholders together to inquire about each of our interests and determine the commonality among our bills, as well as our unique elements in order to assemble a good final product. Since its inception, the ATC has encouraged \$164 million of investment in innovative Illinois start-up businesses. I applaud SB 2012's passage into law and look forward to working on more initiatives with the lieutenant governor to encourage the growth of start-up businesses in Illinois."

For more information on the Angel Investment Program, visit: <https://www.illinois.gov/dceo/ExpandRelocate/Incentives/taxassistance/Pages/AngelInvestment.aspx>

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