
Wisconsin Legislative Council

ACT MEMO



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2023 Wisconsin Act 145
[2023 Assembly Bill 933]

**Angel Investment Tax Credit
Sales and Transfers**

BACKGROUND

The Wisconsin Economic Development Corporation (WEDC) administers a program in which it may certify a business as a Qualified New Business Venture (QNBV) for purposes of the angel investment tax credit and the early stage seed investment tax credit.

An angel investment tax credit is a nonrefundable tax credit equal to 25 percent of a claimant's bona fide angel investment¹ made directly in a QNBV.

An early stage seed investment tax credit is a nonrefundable tax credit equal to 25 percent of a claimant's investment paid to a fund manager for investment in a QNBV.

An individual eligible to claim an early stage seed investment tax credit may sell or otherwise transfer the credit, but not more than once in a 12-month period. **Under prior law**, an individual eligible to claim an angel investment tax credit could not sell or otherwise transfer the credit.

2023 WISCONSIN ACT 145

Under 2023 Wisconsin Act 145, a person who is eligible to claim an angel investment tax credit may sell or otherwise transfer the credit, but not more than once in a 12-month period.

With regard to the restriction on selling or transferring an angel investment tax credit or an early stage seed investment tax credit more than once in a 12-month period, the act clarifies that this restriction applies only to an individual credit.

Effective date and initial applicability: Act 145 took effect on March 23, 2024, and initially applies to an angel investment tax credit that a person is approved by WEDC to claim on that date.

For a full history of the bill, visit the Legislature's [bill history page](#).

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¹ "Bona fide angel investment" is defined as a purchase of an equity interest or any other expenditure that is made by a person who reviews new businesses or proposed new businesses for potential investment of the person's money, or a network of such persons.