

Venture Capital Company Information Report

FORM **518**
Revised 2023

For the Calendar Year Ending: _____

Identification Number _____ Corporation Partnership

Name of Venture Capital Company _____

Address _____ Phone Number _____

City _____ State _____ Zip _____

Complete the section below for investments made during this calendar year. Attach additional schedules if necessary.

Oklahoma Business Ventures in which Investments Were Made by the Venture Capital Company					
Name of Business Invested In	Identification Number	Type of Business	Date of Investment	Type of Investment	Amount Invested
1)					
2)					
3)					
4)					
5)					
6)					
7)					
8)					
9)					
10)					
11)					
12)					
13)					
14)					
15)					

This information return must be filed by April 30th.

Under penalties of perjury, I declare that I have examined this return, including accompanying statements, and to the best of my knowledge and belief it is true, correct and complete.

Officer, General Partner or Member

Date

Instructions and Guidelines for Preparing Venture Capital Company Information Report

68 OS Sec. 2357.7 - 2357.8A and Rule 710:50-15-77

Reporting Requirements

Each Qualified Venture Capital Company shall file Form 518 with the Oklahoma Tax Commission by April 30th following the year in which investments were made.

The report shall contain information regarding the investments made by the Venture Capital Company in each Oklahoma Business Venture. The report shall state the name and identification number of the business in which the investment was made, the type of the business, the date of the investment and the type and amount of the investment.

Additional Reporting Requirement

Each qualified Venture Capital Company shall also make Form 518-A available to all investors in such company by January 31st. This form shall show the name of the qualified Venture Capital Company, the name of the investor, the date of the investment, the total amount of the investment in the company made by such investor and the amount of credit currently available. This form shall be filed with the Oklahoma income tax return of the taxpayer claiming the credit. No investor in a Venture Capital Company organized after July 1, 1992, may claim the tax credit.

Definitions

“Qualified Venture Capital Company” means a C corporation, as defined by the Internal Revenue Code, incorporated pursuant to the laws of Oklahoma or a registered business partnership with a certificate of partnership filed as required by law if such corporation or partnership is organized to provide the direct investment of debt and equity funds to companies within this state, with its principal place of business located within this state and that meets the following criteria:

- a. Capitalization of not less than \$5 million,
- b. Having a purpose and objective of investing at least 75% of its capitalization in Oklahoma Business Ventures. The temporary investment of funds by a qualified Venture Capital Company in obligations of the United States, state and municipal bonds, bank certificates of deposit, or money market securities pending investment in Oklahoma Business Ventures is hereby authorized, and
- c. Investment of not more than 10% of its funds in any one company.

“Oklahoma Business Venture” means a business, incorporated or unincorporated, that:

- a. Has or will have, within 180 days after an investment is made by a qualified Venture Capital Company, at least 50% of its employees or assets located in Oklahoma,
- b. Needs financial assistance in order to commence or expand such business that provides or intends to provide goods or services,
- c. Is not engaged in oil and gas exploration, real estate development, real estate sales, retail sales of food or clothing, farming, ranching, banking, or lending or investing funds in other businesses. Provided, however, businesses that provide or intend to provide goods or services, including, but not limited to, goods or services involving new technology, equipment, or techniques to such businesses listed in this subparagraph, and investments in the development of tourism facilities in the form of amusement parks, entertainment parks, theme parks, golf courses, or museums shall not be subject to said prohibition, and
- d. Expends within 18 months after the date of the investment at least 50% of the proceeds of the investment for the acquisition of tangible or intangible assets that are used in the active conduct of the trade or business of the Oklahoma Business Venture or, effective August 21, 2008, for working capital for the active conduct of such trade or business. Working capital does not include consulting, brokerage or transaction fees. Provided, that the Oklahoma Tax Commission, upon request and demonstration of need by a qualified Venture Capital Company or an Oklahoma Business Venture, may extend the 18-month period for a period not to exceed six months. Provided, the expenditure of the invested funds by the Oklahoma Business Venture shall otherwise comply with the requirements applicable to the usage of tax credits for investment in the Oklahoma Business Venture.

“Direct investment” means the purchase of securities of a private company, or securities of a public company if the securities constitute a new issue of a public company and such public company had previous year sales of less than \$10 million.

“Debt and equity funds” means investments in debt securities; including unsecured, undersecured, subordinated or convertible loans or debt securities; and/or equity securities, including common and preferred stock, royalty rights, limited partnership interest, and any other securities or rights that evidence ownership in businesses; provided such investment of debt and equity funds shall not have a repayment schedule that is faster than a level principal amortization over five years.

This information return must be filed by April 30th.

**Mail to: Oklahoma Tax Commission
Oklahoma City, OK 73194**