



# SMALL BUSINESS CAPITAL COMPANY INFORMATION REPORT

FORM **527**  
Revised 2011

**For the Calendar Year Ending:** \_\_\_\_\_

**See Tax Credit Moratorium on page 2.**

Federal Employer Identification Number \_\_\_\_\_  Corporation  Partnership  LLC  
 Name of Small Business Capital Company \_\_\_\_\_  
 Address \_\_\_\_\_ Phone Number \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**Complete the applicable sections for investments made during this calendar year. Attach additional schedules if necessary. Enclose a copy of the capital company's annual financial statements, including documentation to indicate the methods of operation and conduct of the business of the capital company. (\*See note on Page 2)**

### A: ENTITIES INVESTING IN THE SMALL BUSINESS CAPITAL COMPANY

Investor's Name	Address	FEIN/SSN	Date of Investment	Type of Investment	Amount Invested
1)					
2)					
3)					
4)					

### B: ENTITIES INVESTING IN OKLAHOMA SMALL BUSINESS VENTURES IN CONJUNCTION WITH THE SMALL BUSINESS CAPITAL COMPANY

Investor's Name	FEIN/SSN	Business Invested In	FEIN	Date of Investment	Type of Investment	Amount Invested
1)						
2)						
3)						

### C: OKLAHOMA SMALL BUSINESS VENTURES IN WHICH INVESTMENTS WERE MADE BY THE SMALL BUSINESS CAPITAL COMPANY

Name of Business Invested In	FEIN	Type of Business	Date of Investment	Type of Investment	Amount Invested
1)					
2)					
3)					

**THIS INFORMATION RETURN, INCLUDING ENCLOSURES, MUST BE FILED BY APRIL 30TH.**

Under penalties of perjury, I declare 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 SMALL BUSINESS CAPITAL COMPANY INFORMATION REPORT

68 Oklahoma Statutes (OS) Sec. 2357.60-2357.65 and Rule 710:50-15-86

## Reporting Requirements

Each Small Business Capital Company shall file Form 527 with the Oklahoma Tax Commission (OTC) by April 30th following the year in which investments were made. Enclose a copy of the capital company's annual financial statements, including documentation to indicate the methods of operation and conduct of the business of the capital company.\* This information will be used by the OTC to determine whether the capital company is complying with the terms of the Small Business Capital Formation Incentive Act and any rules promulgated by the OTC. No credit shall be allowed for an investment in the capital company unless such information is provided.

This report shall contain a list of all qualified investments made in, or in conjunction with, the Small Business Capital Company that may qualify for the tax credit allowed by this act. The report shall state the type and amount of the qualified investment, the date of the investment, the name and identification number of the entity making the investment and the business in which the investment was made.

This report shall also contain information regarding the qualified investments made by the Small Business Capital Company in Oklahoma Small Business Ventures. 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.

\* **Note:** Federally regulated investment companies are exempt from this reporting requirement. As a condition of the exemption such companies are required to provide documentation as set out in 68 OS Sec. 2357.65A.

## Additional Reporting Requirement

- Each qualified Small Business Capital Company shall also make Form 527-A available to all investors in such company by January 31st. This form shall show the name of the qualified Small Business Capital Company, the name of the investor, the date of the investment, the total amount of qualified investments in, or in conjunction with, the company made by such investor and the amount of credit currently available. This form shall be enclosed with the filed Oklahoma income tax return of the taxpayer claiming the credit.
- Qualified Small Business Capital Companies or any entity making an investment in conjunction with an investment by a qualified Small Business Capital Company must notify the Oklahoma Tax Commission within 20 business days if:
  1. The investment in an Oklahoma Small Business Venture is transferred, withdrawn or otherwise returned.  
or
  2. An occurrence upon which an investment is contingent has taken place.

Send such notification to the address shown at the end of the instructions.

## Definitions

A qualified Small Business Capital Company can be a "C" or subchapter "S" corporation as defined by the Internal Revenue Code, incorporated pursuant to the laws of Oklahoma; a limited liability company; or a registered business partnership with a certificate of partnership filed as required by law. The qualified Small Business Capital Company must be organized to provide the direct investment of equity and near-equity funds to Oklahoma Small Business Ventures. The principal place of business must be located within Oklahoma. The capitalization of the Small Business Capital Company must be at least \$1,000,000 and it cannot invest more than 20% of its funds in any one company at any time during the calendar year.

An Oklahoma Small Business Venture can be any business, incorporated or unincorporated, which has, or will have within 180 days after a qualified investment is made by a Small Business Capital Company, 50% of its employees or assets in Oklahoma. Further, the business must need financial assistance to start or expand such business which provides, or intends to provide, goods or services. The business venture must qualify as a small business as defined by the Federal Small Business Administration. The Oklahoma Small Business Venture must be engaged in a lawful business activity

**INSTRUCTIONS AND GUIDELINES FOR PREPARING  
SMALL BUSINESS CAPITAL COMPANY INFORMATION REPORT  
(Continued)**

under any Industry Number appearing under any Major Group Number of Divisions A, C, D, E, F or I of the Standard Industrial Classification (SIC) Manual, 1987 revision, with the exception of Major Groups 1 and 2 of Division A. The business venture must expend within 18 months after the date of the qualified investment at least 50% of the proceeds of the qualified investment for the acquisition of tangible or intangible assets which are used in the active conduct of their trade or business 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. The OTC, upon request and demonstration of need by a qualified Small Business Capital Company or an Oklahoma Small Business Venture, or an investor or an authorized agent of any such entities, may extend the 18-month period for a period not to exceed six months.

**This information return, including enclosures, must be filed by April 30th.**

**Mail to:**           **Oklahoma Tax Commission**  
                          **Compliance Division: Corporate Income Tax**  
                          **Post Office Box 269054**  
                          **Oklahoma City, OK 73126-9054**

**Tax Credit Moratorium**

No credit may be claimed for qualified investments in Oklahoma small business ventures during the period of June 1, 2010 through December 31, 2011. No amount of qualified investment made in a qualified small business capital company which has not been invested in one or more Oklahoma small business ventures prior to June 1, 2010 is eligible for any credit otherwise authorized, and no investment made during the moratorium is eligible for a credit.

**Note:** Credit Carryover - Credits established before June 1, 2010 are eligible to be claimed under normal carryover provisions, if applicable.

**Notice**

**Effective July 1, 2011**

Tax credits transferred or allocated must be reported on Oklahoma Tax Commission Form 569. Failure to file Form 569 will result in the affected credits being denied by the Oklahoma Tax Commission pursuant to 68 OS Sec. 2357.1A-2.