



RE: Angel Investor Tax Credit Program
Eric H. Waser – PROD-00300414

Dear Applicant:

We received your appeal for the declination of your application for the Angel Investor Tax Credit Program.

As the Hearing Officer, my job was to review your appeal and decide whether there was a valid reason to decline your application or whether there is a reason to reverse that decision. As part of my review of your grant application and appeal, I have read your appeal submitted on August 2, 2022, including any attached documentation and reviewed the information from your application. Based upon my review, I have decided that your application was properly declined. You are not eligible for a grant under the Angel Investor Tax Credit Program because:

- Your investment in Ventis Medical Inc. (“the Company”), was not a Qualified Investment as defined by the program.
 - On May 21, 2021, the date of investment, Ventis Medical Inc. had no employees receiving “wages” within the meaning of N.J.A.C. § 19:31-19.2. The Company did not establish payroll until approximately July 1, 2021. The statutory language—in particular, that it mandates employees’ wages “are,” rather than “will be” subject to New Jersey tax withholding, and does not provide parameters, such as a timeframe, for the future payment of wages to qualify—makes clear that wages must be earned on or before the date of investment. Because the Company had no employees receiving wages on or before the time of the investment, it had no “full-time employees” within the meaning of N.J.A.C. § 19:31-19.2 and was therefore not an “emerging technology business.”
 - An “emerging technology business” must have at least one employee. By requiring that “at least 75%” of employees retain a position in New Jersey, it reasonably follows that a company must employ at least one employee to meet the statutory definition. Further, the ATC Program’s April 23, 2018 Frequently Asked Question #33 confirms that a “company must have at least one employee that meets the definition of ‘full-time employee’ in order to be eligible for the program.”

This determination is based upon the documentation provided by you during the application process.

This decision, approved by the undersigned Managing Director, Legal Affairs, constitutes the Final Administrative Decision of the Authority.

Please be aware that the Authority has other programs that may be of interest and we encourage you to continue to check our website at www.njeda.com.

Sincerely,

/s/ Caitlín Raimo, Esq.

Hearing Officer

Approved by: */s/ Monica Kostrzewa, Esq.*

Managing Director, Legal Affairs