



Innovation Programs February 2024 Office Hours

Innovation Programs

Team

- ▶ Clark Smith – Director
- ▶ Monika Athwal – Manager
- ▶ Sara Cadeddu – Senior Officer
- ▶ Christopher Shyers – Senior Officer
- ▶ Fariha Sheikh – Analyst
- ▶ Abdelrhman Seliman – Intern
- ▶ Sumaiyya Asim – Intern
- ▶ Daniela Diaz – Intern

Programs

- ▶ Angel Investor Tax Credit
- ▶ Technology Business Tax Certificate Transfer Program (NOL)
- ▶ NJ Entrepreneur Support Program
- ▶ Angel Match Program
- ▶ NJ Accelerate
- ▶ NJ Ignite
- ▶ Edison Innovation Fund

NJEDA's Targeted Industries

- ▶ Advanced transportation
- ▶ Advanced logistics
- ▶ Advanced manufacturing
- ▶ Aviation
- ▶ Autonomous vehicle
- ▶ Zero-emission vehicle
- ▶ Clean energy
- ▶ Life sciences
- ▶ Hemp processing
- ▶ Information technology
- ▶ High technology
- ▶ Finance and insurance
- ▶ Professional services
- ▶ Film and digital media
- ▶ Non-retail Food and Beverages

Angel Tax Credit (ATC) Program – Refundable Tax Credit

Program Overview

Investors in a qualifying NJ emerging technology or life science business may benefit from a 20%-25% investment tax credit. Annual program allocation of \$35 million.

- ▶ Full-time employees (FTE)
 - ▶ at least 1, no more than 225
 - ▶ 75% in New Jersey
- ▶ Must be an emerging technology – commercializing an eligible technology
- ▶ Investment must be a non-refundable transfer of cash
- ▶ Fully submitted application within 6 months of closing investment
- ▶ Bonus for W/MBE or Opportunity Zone companies

2800+
angel
investments

**\$900
Million+**
in tax credits

130+
technology
businesses



NOL Program – Sellable Tax Credit

Program Overview

Enables unprofitable NJ-based technology or biotechnology companies to sell a percentage of accrued losses to unrelated profitable corporations.

\$75M allocated annually

\$1B+ to **over 570** companies since
program start



Tech or biotech companies with:

- ▶ At least 1/5/10 FTE working in NJ
 - ▶ No more than 224 FTE in the US
- ▶ Protected, Proprietary Intellectual Property (PPIP)
- ▶ 2 consecutive years of operating losses
- ▶ CPA prepared financial statements
- ▶ Taxable corporate structure

NJ Entrepreneur Support Program (ESP) – Loan Guarantee

Program Overview

Provides a guarantee of up to 80% to investor loans/convertible notes advanced for working capital to businesses. Multiple guarantees per company up to the \$400,000 cap may be eligible.

- ▶ Up to \$400K
- ▶ 1 year term
- ▶ 80% Note /Loan Amount
- ▶ Note/loan maturity must be at least 1 year
- ▶ Angels & Funds
- ▶ No Revenue Requirement
- ▶ FT Employees – 50% in NJ
- ▶ \$5 million allocation

**Launched
March
2023!**

Angel Match Program - Direct Investment

Program Overview

Matches investors' direct investment in early-stage, product-based technology companies within targeted industries on a 1-to-1 basis with unsecured convertible notes ranging from \$100,000 to \$500,000. Investments must be made by at least two external investors and be structured as preferred equity with a defined price per share.

- ▶ \$100K-\$500K Notes
- ▶ 10-year term, 3% interest rate
- ▶ No payments for first 7 years
- ▶ 1-to-1 match
- ▶ Unsecured
- ▶ Angels & Funds eligible
- ▶ Product based sales revenue – Min \$100K
- ▶ FT Employees – 50% & 2 Founders in NJ

**Launched
March
2023!**

www.njeda.gov/angelmatch/

Other NJEDA Highlighted Initiatives

Venture Programs

- ▶ NJ Founders & Funders
- ▶ Golden Seeds
- ▶ NJ Innovation Evergreen Fund
- ▶ SEDI and Black & Latino Seed Funds

Clean Energy

- ▶ NJ Clean Energy Loans (NJ CELs)
- ▶ NJ ZIP

Commission on Science Innovation & Technology (CSIT)

- ▶ Catalyst Seed Grants
- ▶ Catalyst R&D Vouchers

Contact Us



Judith Sheft
Executive Director
[Jsheft@njcsit.gov](mailto:jsheft@njcsit.gov)
(609) 462-0560



Mahako Etta
Program Manager
metta@njcsit.gov
(609) 690 – 1558



Frances Keel
Program Officer
fkeel@njcsit.gov
(609) 940-9240

Visit www.njeda.com/CSIT for more information



Supporting early-stage entrepreneurs / academics developing (R&D) innovation-based companies

Encouraging collaboration and connectivity between industry and academia

Grant Programs - www.njeda.com/csit	Eligibility Requirements (Standard)	Timeline
Catalyst R&D Voucher - \$40K	<ul style="list-style-type: none"> • < 50 employees • 50% of employees work in NJ • 1-2 Full-time employees • < \$5 million in prior yr. revenue • In good standing to do business in NJ (Tax Clearance) 	Rolling
Catalyst Seed Grant - \$75K - \$150K		Yearly 2 nd Quarter
Clean Tech R&D Voucher -\$40K		Rolling
Clean Tech Seed Grant -\$75K		Yearly – 4th Quarter
Clean Tech Pilot Demonstration - \$250K		Yearly – 2 nd Quarter
Food / Agriculture Seed Grant - \$75K		Yearly – 2 nd Quarter
Maternal / Infant Health Seed Grant - \$75K		Yearly – 1st Quarter
SBIR/STTR Matching Grant - \$25K - \$50K		Rolling



Information on capabilities at NJ universities www.researchwithnj.com

Grant submission assistance for federal SBIR/STTR - NJSBDC - <https://njsbdc.com/techtteam/>

Thank You!

NJEDA