



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

October 31, 2025

The Honorable Andy Beshear, Governor
Office of the Governor
700 Capital Avenue, Suite 100
Frankfort, Kentucky 40601

RE: Kentucky Investment Fund Act (KIFA)

Dear Governor Beshear:

Pursuant to KRS 154.20-264, the Cabinet for Economic Development is required to submit an annual report to the Interim Joint Committee on Appropriations and Revenue and the Governor on the Kentucky Investment Fund Act (KIFA) program. Enclosed is the KIFA annual report for the period from July 1, 2024 through June 30, 2025.

Please contact me at (502) 782-1922 if there are any questions regarding this report.

Sincerely,

A handwritten signature in blue ink that reads "Kylee Palmer".

Kylee Palmer,
Deputy Commissioner
Kentucky Cabinet for Economic Development

cc: Matthew Wingate

Enclosure



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October 31, 2025

Senator Christian McDaniel, Co-Chair
Representative Jason Petrie, Co-Chair
Interim Joint Committee Appropriations & Revenue
Legislative Research Commission
Capitol Annex Building
Frankfort, Kentucky 40601

RE: Kentucky Investment Fund Act (KIFA)

Dear Senator McDaniel and Representative Petrie:

Pursuant to KRS 154.20-264, the Cabinet for Economic Development is required to submit an annual report to the Interim Joint Committee on Appropriations and Revenue and the Governor on the Kentucky Investment Fund Act (KIFA) program. Enclosed is the KIFA annual report for the period from July 1, 2024 through June 30, 2025.

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Kylee Palmer,
Deputy Commissioner
Kentucky Cabinet for Economic Development

cc: Jennifer Hays, LRC
Matthew Wingate

Enclosure

KENTUCKY INVESTMENT FUND ACT (KIFA)

Annual Report

July 1, 2024 through June 30, 2025

The Kentucky Investment Fund Act (KIFA) provides up to a 40 percent (40%) nonrefundable tax credit to individuals and corporations that invest in venture capital funds approved by the Kentucky Economic Development Finance Authority (KEDFA) prior to January 1, 2023 and up to a 25 percent (25%) nonrefundable tax credit for funds approved on or after January 1, 2023 when the approved fund makes a qualified investment in a Kentucky small business. This report provides information regarding funds approved under current legislation.

Legislation: The allocation of tax credits under the KIFA program began in 2003. Under the current law, KEDFA provides a one-time approval for a maximum amount of credits to be authorized for a single fund. Each investment is documented and approved as qualified. Eligible credits are then prorated among the individual investors based on the amount of individual cash contributions.

Below is a summary of the venture capital funds that have been approved in this program:

Fund Name	Date Approved	Status	Committed Cash Contributions	Maximum Approved Credits*	Authorized Credits**
1 NKY Growth Fund I, LLC	1/27/2011	Active	\$510,000	\$612,000	\$484,295
2 Strike Ventures Fund I, LLC	1/28/2021	Active	\$1,400,000	\$1,000,000	\$939,997
3 Bluegrass Angel Venture Fund V, LLC	1/28/2021	Active	\$6,500,000	\$2,000,000	\$1,777,026
4 Kentucky Select Fund, LLC	1/28/2021	Active	\$750,000	\$1,000,000	\$679,740
5 Awesome Fund I LLC	10/26/2023	Active	\$1,300,000	\$1,000,000	\$125,000
Grand Total			\$10,460,000	\$5,612,000	\$4,006,058

*Maximum Approved Credits

**Authorized Credits

Amount of credits approved by KEDFA for the investment fund
Amount of credits eligible to be claimed by investors based on qualified investments

Below is a summary of the number, type, and geographical location of investors who have invested in approved venture capital funds:

Fund	Number and Type of Investors														Geographic Area of Investors
	Corporation	Financial Institution	Foundation	Holding Company	Individual	Insurance Co.	LLC	LP	Non-profit	Partnership	Retirement Trust	SBIA	Trust	Total Investors	
NKY Growth Fund I, LLC				2									4	6	Covington (Northern Kentucky ADD)
Strike Ventures Fund I, LLC			1	15		1							2	19	Louisville (KIPDA)
Bluegrass Angel Venture Fund V, LLC				55		9			1				5	70	Bluegrass ADD, Louisville (KIPDA), Lake Cumberland ADD, Northern Kentucky ADD, Paducah (PAD), Out of State
Kentucky Select Fund, LLC				38		8							6	52	Bluegrass ADD, Louisville (KIPDA), Out of State
Awesome Fund I LLC				31		7		1					2	41	Bluegrass ADD, Northern Kentucky ADD, Louisville (KIPDA), Out of State

Below is a summary of the qualified investments that have been made by the approved venture capital funds:

Fund	Investment	Invest Year	Nature of Small Business	Description of Small Business	Geographic Location	Jobs**	Investment	Credits
NKY Growth Fund I, LLC	1	2011	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$50,000	\$20,000
	2	2011	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$25,000	\$10,000
	3	2012	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$30,000	\$12,000
	4	2013	Healthcare	Healthcare provider education	Covington (Northern Kentucky ADD)		\$100,000	\$40,000
	5	2014	Knowledge solutions	3D printing designs	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	6	2014	Healthcare	Healthcare provider education	Covington (Northern Kentucky ADD)		\$143,000	\$57,200
	7	2015	Information Technology & Communications	Online app for parents	Covington (Northern Kentucky ADD)		\$100,000	\$40,000
	8	2015	Healthcare	Medical device product development	Louisville (KIPDA)		\$50,000	\$20,000
	9	2015	Information Technology & Communications	Customer feedback technology	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	10	2016	Healthcare	Healthcare provider education	Covington (Northern Kentucky ADD)		\$17,737	\$7,095
	11	2017	Other New Economy Knowledge Based Activity	Collectible marketplace	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	12	2017	Information Technology & Communications	Customer feedback technology	Covington (Northern Kentucky ADD)		\$50,000	\$20,000
	13	2018	Other New Economy Knowledge Based Activity	Theatre e-commerce	Covington (Northern Kentucky ADD)		\$25,000	\$10,000
	14	2019	Environmental Technology	Biogas technology	Ft. Mitchell (Northern Kentucky ADD)		\$240,000	\$96,000
	15	2020	Information Technology & Communications	Startup sector service platform	Covington (Northern Kentucky ADD)		\$25,000	\$10,000
	16	2021	Information Technology & Communications	Commercial multi-media platform	Covington (Northern Kentucky ADD)		\$75,000	\$30,000
	17	2022	Information Technology & Communications	Commercial multi-media platform	Covington (Northern Kentucky ADD)		\$75,000	\$30,000
	18	2023	Information Technology & Communications	Commercial multi-media platform	Covington (Northern Kentucky ADD)		\$90,000	\$12,000
	19	2024	Information Technology & Communications	Platform to promote health and fitness	Ft. Thomas (Northern Kentucky ADD)		\$25,000	\$10,000
NKY Growth Fund I, LLC Total							\$1,210,737	\$484,295
Strike Ventures Fund I, LLC	1	2021	Information Technology & Communications	Data architecture & advanced analytics	Louisville (KIPDA)		\$599,995	\$239,998
	2	2021	Information Technology & Communications	Social media platform w/ proprietary information	Louisville (KIPDA)	3	\$250,000	\$100,000
	3	2021	Information Technology & Communications	Data architecture & advanced analytics	Louisville (KIPDA)	7	\$349,998	\$140,000
	4	2021	Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	3	\$350,000	\$140,000
	5	2021	Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	3	\$149,999	\$59,999
	6	2022	Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	4	\$250,000	\$100,000
	7	2023	Information Technology & Communications	Real estate firm management through SaaS	Louisville (KIPDA)		\$150,000	\$60,000
	8	2023	Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)		\$100,000	\$40,000
	9	2024	Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)		\$150,000	\$60,000
Strike Ventures Fund I, LLC Total							\$2,349,991	\$939,997
Bluegrass Angel Venture Fund V, LLC	1	2021	Information Technology & Communications	Cloud-based veterinary practice management software	Lexington (Bluegrass ADD)		\$125,000	\$45,000
	2	2021	Bioscience	Animal diagnostic tools	Lexington (Bluegrass ADD)	1	\$299,997	\$108,619
	3	2021	Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)	2	\$100,000	\$36,667
	4	2021	Health & Human Development	Mobile health information	Lexington (Bluegrass ADD)	2	\$75,000	\$27,500
	5	2022	Information Technology & Communications	Patient-centric software for optimizing organ procurement	Lexington (Bluegrass ADD)	5	\$150,000	\$55,000
	6	2022	Environmental & Energy Technology	Food manufacturing technology	Louisville (KIPDA)		\$150,000	\$55,000
	7	2022	Bioscience	Pest Control	Lexington (Bluegrass ADD)	1	\$150,000	\$55,000
	8	2022	Information Technology & Communications	AI software to edit and produce podcasts	Prospect (KIPDA)	3	\$250,000	\$91,670
	9	2022	Environmental & Energy Technology	Food manufacturing technology	Louisville (KIPDA)	3	\$100,000	\$36,667
	10	2022	Environmental & Energy Technology	Manufacturer of precious metal catalysts	Louisville (KIPDA)		\$250,000	\$91,667
	11	2023	Information Technology & Communications	AI e-commerce software	Louisville (KIPDA)		\$200,000	\$73,333
	12	2023	Information Technology & Communications	AI software to edit and produce podcasts	Prospect (KIPDA)	1	\$50,000	\$18,333
	13	2023	Information Technology & Communications	Platform for a complete lung cancer screening market	Lexington (Bluegrass ADD)		\$250,000	\$91,667
	14	2023	Bioscience	Medical device technology	Crestwood (KIPDA)	1	\$200,000	\$73,333
	15	2023	Information Technology & Communications	AI e-commerce software	Louisville (KIPDA)	5	\$200,000	\$73,846
	16	2023	Environmental & Energy Technology	Water treatment technology	Lexington (Bluegrass ADD)	2	\$400,000	\$147,692
	17	2023	Information Technology & Communications	Enterprise software	Lexington (Bluegrass ADD)	2	\$450,000	\$165,000
	18	2023	Information Technology & Communications	Software development	Covington (Northern Kentucky ADD)	1	\$250,000	\$91,667
	19	2023	Information Technology & Communications	Case management software	Lexington (Bluegrass ADD)	3	\$250,000	\$92,308
	20	2023	Bioscience	Parasitoid diagnostic system	Lexington (Bluegrass ADD)	1	\$19,426	\$7,173
	21	2023	Information Technology & Communications	Platform for a complete lung cancer screening market	Lexington (Bluegrass ADD)		\$100,000	\$36,923
	22	2024	Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)		\$49,998	\$18,461
	23	2024	Environmental & Energy Technology	Water treatment technology	Lexington (Bluegrass ADD)		\$20,518	\$7,576
	24	2024	Materials Science & Advanced Manufacturing	Manufacturing of nanomaterials and development	Louisville (KIPDA)	2	\$250,000	\$92,308
	25	2024	Materials Science & Advanced Manufacturing	Chemical manufacturer of materials used to manufacture	Louisville (KIPDA)	3	\$100,000	\$36,923

NRY Growth Fund I,	1	2011	Maglev Technology	Automation technology development	Hebron (Northern Kentucky ADD)		\$50,000	\$20,000	
	26	2024	Health & Human Development	Mental health platform exclusively for the military	Louisville (KIPDA)	2	\$150,000	\$55,385	
	27	2024	Materials Science & Advanced Manufacturing	Solar technology	Louisville (KIPDA)		\$49,998	\$18,461	
	28	2024	Information Technology & Communications	Software development	Covington (Northern Kentucky ADD)		\$50,000	\$18,462	
	29	2025	Information Technology & Communications	AI-assisted financial underwriting technology	Louisville (KIPDA)		\$50,000	\$18,462	
	30	2025	Materials Science & Advanced Manufacturing	Chemical manufacturer of materials used to manu	Louisville (KIPDA)		\$100,000	\$36,923	
Bluegrass Angel Venture Fund V, LLC Total							40	\$4,839,938	\$1,777,026
Kentucky Select Fund, LLC	1	2021	Information Technology & Communications	Enterprise Software	Lexington (Bluegrass ADD)		\$150,000	\$60,000	
	2	2023	Information Technology & Communications	Video game development	Lexington (Bluegrass ADD)		\$50,000	\$20,000	
	3	2023	Information Technology & Communications	Enterprise Software	Lexington (Bluegrass ADD)		\$37,498	\$14,999	
	4	2023	Information Technology & Communications	Video game development	Lexington (Bluegrass ADD)		\$1,450,004	\$580,002	
	5	2025	Information Technology & Communications	Video game development	Lexington (Bluegrass ADD)		\$11,848	\$4,739	
Kentucky Select Fund, LLC Total								\$1,699,351	\$679,740
Awesome Fund I LLC	1	2023	Information Technology & Communications	Social media platform w/ proprietary information	Louisville (KIPDA)		\$100,000	\$25,000	
	2	2023	Information Technology & Communications	Custom software development to aid in the decid	Louisville (KIPDA)		\$50,000	\$12,500	
	3	2024	Materials Science & Advanced Manufacturing	Technology based bedsheet, pillowcases and stee	Louisville (KIPDA)	3	\$100,000	\$25,000	
	4	2024	Information Technology & Communications	Indoor digital map application	Louisville (KIPDA)	5	\$100,000	\$25,000	
	5	2024	Information Technology & Communications	AI-assisted financial underwriting technology	Louisville (KIPDA)	3	\$50,000	\$12,500	
	6	2024	Information Technology & Communications	AI-e-commerce software	Louisville (KIPDA)	3	\$100,000	\$25,000	
	Awesome Fund I LLC Total							14	\$500,000
Grand Total								\$10,600,017	\$4,006,058

* Jobs reported in active funds' most recent annual report