

Saskatchewan Technology Startup Incentive (STSI)

What is STSI?

STSI is designed to encourage investment in early-stage technology startups that bring new products to market and create new jobs in Saskatchewan.

The program offers a non-refundable 45% tax credit to individuals, corporations, and venture capital funds that invest in eligible technology startups.

Which businesses are eligible?

In order to register, a business must:

- Have fewer than 50 employees. At least 50 percent of these employees must be based in Saskatchewan;
- Have its head office in Saskatchewan and be registered to carry on business in the province;
- Have not previously raised more than \$5 million in equity capital;
- Be a technology-based startup with a **novel technology** for sale or applying existing technologies in a novel way to create a new product, service, or process.
 - The technology must be digitally based – electronic systems, devices, and tools (hardware/software)

Which investors are eligible to receive a tax credit?

The following types of Saskatchewan-based investors can apply to the program:

- a) **Individuals and Corporations**
- b) **Limited Partnerships**
- c) **Venture Capital Corporations**

How much investment can a startup raise?

A startup can raise a maximum of \$2 million under the program.

How many tax credits can an investor earn?

An investor can earn up to \$225,000 in tax credit per annual investment in a startup and claim a maximum of \$140,000 per tax year.





How long does an investor have to claim their credits?

The credits for investments made between April 1, 2018, and December 31, 2020, can be claimed over a 4-year period.

The credits for investments made after January 1, 2021, can be claimed over a 7-year period.

How long must an investment be held in a startup?

Investments must be held in a startup for a **minimum of three years**.

How to register?

1. Startups and investors (individuals, corporations, Limited Partnerships) must create a user account through the **Online Application Portal**.
2. Once you have created an account, you will be directed to the STSI Forms page. Select the application suited for you from the left-hand side of the page.
3. Fill out and submit the application. Processing times can range from 3 to 4 weeks for startup applications and 1 to 2 weeks for investor applications.
4. Applicants who meet all of the program requirements will receive a Certificate/ Notification of Eligibility from Innovation Saskatchewan.

Additional information:

For more information, please refer to the **STSI Program Guide** or contact the Program Manager.

Program Manager:

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Disclaimer: The information in this document is accurate as of June 2021; however the Government of Saskatchewan accepts no liability for any actions taken as a result of the information contained herein.