

July 20, 2017

**VIA EDGAR**

James E. O'Connor  
Kathy Churko  
United States Securities and Exchange Commission  
Division of Investment Management  
100 F Street, N.E.  
Washington, D.C. 20549-4041

Re: KCAP Financial, Inc.  
Pre-Effective Amendment No. 1 to Registration Statement on Form N-2  
File No. 333-218596

Dear Mr. O'Connor and Ms. Churko:

On behalf of KCAP Financial, Inc. (the "**Registrant**") and pursuant to Rule 461 promulgated under the Securities Act of 1933, as amended, I hereby request acceleration of the effective date of the Pre-Effective Amendment No. 1 to the Registrant's Registration Statement on Form N-2 to 12:00 p.m. Eastern Time on July 21, 2017, or as soon thereafter as is practicable.

Should you have any questions concerning this request, please contact me at (212) 455-8300 or, our counsel, Harry Pangas at Eversheds Sutherland (US) LLP at (202) 383-0805.

Sincerely,

**KCAP Financial, Inc.**

By: /s/ Dayl W. Pearson  
Name: Dayl W. Pearson  
Title: President and Chief Executive Officer

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