

For taxable year beginning, \_\_\_\_\_ and ending, \_\_\_\_\_

Attach to your return

Name as shown on Forms 120, 120A, 120S, 120X, or 165	Federal employer ID number
--	----------------------------

**Part I Current Taxable Year Credit Computation**

1 Basic research payments paid or incurred to qualified organizations. See instructions .....	1	00	
2 Qualified organization base period amount .....	2	00	
3 Subtract line 2 from line 1. If less than zero, enter zero (0) .....			3
4 Wages for qualified services (do not include wages used in figuring the federal work opportunity credit) .....	4	00	
5 Cost of supplies .....	5	00	
6 Rental or lease cost of computers .....	6	00	
7 Contract research expenses. See instructions .....	7	00	
8 Total qualified research expenses. Add lines 4 through 7. Enter the total .....			8
9 Average annual gross receipts. See instructions .....	9	00	
10 Fixed-base percentage (not more than 16%). See instructions .....	10	.	
11 Base amount. Multiply line 9 by the percentage on line 10. Enter the result .....			11
12 Subtract line 11 from line 8. If less than zero, enter zero (0) .....			12
13 Multiply line 8 by 50% (.50). Enter the result .....			13
14 Enter the lesser of line 12 or line 13 .....			14
15 Add lines 3 and 14. Enter the total .....			15
16 Current year credit for increased research activities. See instructions before completing this line .....			16

**Part II S Corporation Credit Election and Shareholder's Share of Credit**

17 The S corporation has made an irrevocable election for the taxable year ending \_\_\_\_\_ to: (CHECK ONLY ONE BOX)

Claim the credit for increased research activities as shown on Part I, line 16 (for the taxable year mentioned above);

OR

Pass the credit for increased research activities as shown on Part I, line 16 (for taxable year mentioned above) through to its shareholders.

\_\_\_\_\_  
Signature Title Date

If passing the credit through to the shareholder, complete lines 18 through 20 separately for each shareholder. Furnish each shareholder with a copy of the completed Form 308.

- 18 Name of shareholder \_\_\_\_\_
  - 19 Shareholder's TIN \_\_\_\_\_
  - 20 Shareholder's share of the amount on Part I, line 16 \_\_\_\_\_ \*
- \* Individual shareholders complete Form 308-I

**Part III Partner's Share of Credit**

Complete lines 21 through 23 separately for each partner. Furnish each partner with a copy of the completed Form 308.

- 21 Name of partner \_\_\_\_\_
  - 22 Partner's TIN \_\_\_\_\_
  - 23 Partner's share of the amount on Part I, line 16 \_\_\_\_\_ \*
- \* Individual partners complete Form 308-I

**Part IV Available Credit Carryover (Credit for Increased Research Activities)  
(Corporations and S Corporations only)**

[Part IV applies only to credits for qualified research expenses and basic research payments incurred in taxable years beginning from and after December 31, 2000 through December 31, 2002]

	(a)	(b)	(c)	(d)
	Carryover from taxable year ending	Original amount of credit	Amount previously used or expired	Available carryover - subtract column (c) from column (b)
24				
25				
26				
27				
28				
29	Total available credit carryover .....			

**Part V Available Credit Carryover (Credit for Increased Research Activities)  
(Corporations and S Corporations only)**

[Part V applies only to credits for qualified research expenses and basic research payments incurred in taxable years beginning from and after December 31, 2002]

	(a)	(b)	(c)	(d)
	Carryover from taxable year ending	Original amount of credit	Amount previously used or expired	Available carryover - subtract column (c) from column (b)
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45	Total available credit carryover .....			

**Part VI Conversion of Excess Qualified Research Expenses (QRE) Carryover to Credit Carryover (Corporations and S Corporations only)**

[Part VI applies to excess qualified research expenses incurred by corporations or S corporations in taxable years beginning prior to January 1, 2001]

	(a)	(b)	(c)	(d)	(e)
	Carryover of excess QRE from taxable year ending	Original amount of excess QRE	Amount of excess QRE previously used to compute a credit (for taxable years beginning prior to January 1, 2001)	Available carryover of excess QRE - subtract column (c) from column (b)	Computed conversion credit carryover - multiply column (d) by 20 percent (.20)
46					
47					
48					
49					
50					
51					
52					
53					
54	Total computed conversion credit carryover .....				

**Part VII Available Conversion Credit Carryover (Corporations and S corporations only)**

	(a)	(b)	(c)	(d)
	Conversion credit carryover from taxable year ending	Original conversion credit carryover	Amount previously used or expired	Available conversion credit carryover - subtract column (c) from column (b)
55				
56				
57				
58				
59				
60				
61				
62				
63	Total available conversion credit carryover.....			

**Part VIII Total Available Credit (Corporations and S corporations only)**

64	Current year's credit - enter the amount from Part I, line 16. Corporate partners of a partnership - enter the amount from Part III, line 23.....	64		00
65	Available credit carryover - from Part IV, line 29, column (d).....	65		00
66	Available credit carryover - from Part V, line 45, column (d).....	66		00
67	Available conversion credit carryover - from Part VII, line 63, column (d).....	67		00
68	<b>Total available credit</b> - add lines 64, 65, 66, and 67. Enter result here and on Form 300 Part I, line 6. ....	68		00