

For the calendar year 2011 or
fiscal year beginning MM,DD,YYYY and ending MM,DD,YYYY.

Attach to your return.

Name(s) as shown on Form 140, 140PY, 140NR, or 140X	Social security number
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Individuals must complete this form to claim the credit for increased research activities. Do not complete Form 308.

Complete this form if the taxpayer has:

- (a) a current taxable year's credit from the taxpayer's sole proprietorship; OR
- (b) a current taxable year's credit passed through from an S corporation or a partnership; OR
- (c) a carryover of unused credit from taxable year(s) 2001 and later.

Part I Qualification for Refund of Current Taxable Year's Excess Credit

- 1 Did you receive a "Certificate of Qualification" from the Arizona Commerce Authority?
If yes, attach a copy of the Certificate. If no, skip line 2...... Yes No
- 2 Enter the maximum refund amount on the Certificate from the Arizona Commerce Authority for this taxable year.....

2		00
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- 3 Did the entity from which you are claiming a pass through credit for increased research activities receive a "Certificate of Qualification" from the Arizona Commerce Authority? *If yes, attach a copy of the Certificate. If no, skip line 4. Also skip Part IV.*..... Yes No
- 4 Enter the maximum refund amount for this taxable year. Shareholders of an S corporation - *enter the amount from Form 308, Part III, line 29.* Partners of a partnership - *enter the amount from Form 308, Part IV, line 33.*.....

4		00
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Part II Current Taxable Year's Credit Calculation (Sole Proprietorships Only)

5 Wages for qualified services (do not include wages used in figuring the federal work opportunity credit)	5	00	
6 Cost of supplies	6	00	
7 Rental or lease cost of computers	7	00	
8 Contract research expenses. <i>See instructions.</i>	8	00	
9 Total research expenses. <i>Add lines 5 through 8. Enter the total.</i>	9	00	
10 Research expenses included on lines 5 through 8 related to solar liquid fuel that will be claimed on Arizona Form 344.	10	00	
11 Total qualified research expenses. <i>Subtract line 10 from line 9.</i>	11	00	
12 Average annual Arizona gross receipts. <i>See instructions.</i>	12	00	
13 Fixed-base percentage (not more than 16% (.1600)). <i>See instructions.</i>	13	.	
14 Base amount. <i>Multiply line 12 by the percentage on line 13. Enter the result.</i>	14	00	
15 Subtract line 14 from line 11. <i>If less than zero, enter zero (0).</i>	15	00	
16 Multiply line 11 by 50% (.50). <i>Enter the result.</i>	16	00	
17 Enter the lesser of line 15 or line 16.....	17	00	

IF LINE 17 IS \$2,500,000 OR LESS, COMPLETE LINE 18 AND SKIP LINES 19 THROUGH 21. IF LINE 17 IS MORE THAN \$2,500,000, SKIP LINE 18 AND COMPLETE LINES 19 THROUGH 21.

18 Multiply line 17 by 24% (.24). <i>Enter the result.</i>	18	00	
19 Subtract \$2,500,000 from line 17. <i>Enter the difference.</i>	19	00	
20 Multiply line 19 by 15% (.15). <i>Enter the result.</i>	20	00	
21 Add \$600,000 to line 20. <i>Enter the total.</i>	21	00	
22 Enter the amount from line 18 or 21 here. This is your current year's credit for increased research activities	22	00	

Part III Current Taxable Year's Credit Passed Through From S Corporations and Partnerships

- 23 Total amount of credit passed through from S corporations and partnerships. (Enter the aggregate amount of the credit for increased research activities from all Form(s) 308 received from S corporations and partnerships. Attach copies of any Form(s) 308 to your tax return)
- | | | |
|----|--|----|
| 23 | | 00 |
|----|--|----|

Part IV Refundable Portion of the Current Taxable Year's Excess Credit

ONLY COMPLETE PART IV IF THE "YES" BOX ON PART I, LINE 1 OR LINE 3, IS CHECKED.

24a	Current taxable year's credit from sole proprietorships - enter the amount from Part II, line 22..	24a		00
24b	Current taxable year's credit from pass through entities - enter the amount from Part III, line 23...	24b		00
24c	Total current taxable year's credit. Add lines 24a and 24b.....	24c		00
25a	Reduced tax. Enter the amount from Form 140, line 24; or Form 140PY, line 27; or Form 140NR, line 27; or Form 140X, line 30.	25a		00
25b	Nonrefundable tax credits. Enter the amount of nonrefundable tax credits from Form 301. Exclude the credit or carryover for increased research activities.....	25b		00
25c	Current taxable year's credit for increased research activities that will be used to offset the current taxable year's tax liability - subtract line 25b from line 25a. Enter the difference. If the difference is zero or more, enter it on Part VIII, line 46; also enter it on Form 301, Part I, line 6, and Form 301, Part II, line 43. If the difference is less than zero, enter zero.....	25c		00
26	Current taxable year's excess credit - subtract line 25c from line 24c. Enter the difference. If less than zero, enter zero, because no refund is available.....	26		00
27	Tentative refundable credit - multiply line 26 by 75% (.75). Enter the result.....	27		00
28	Maximum refundable credit. Sole Proprietorships - enter the amount from Part I, Line 2. Shareholders of an S corporation or partners of a partnership - enter the amount from Part I, line 4.....	28		00
29	Refundable Credit. Enter the lesser of line 27 or line 28. See Instructions	29		00

COMPLETE PART V AND PART VI IF YOU HAVE CARRYOVERS FROM PRIOR YEARS. SKIP PART VII.

Part V Available Pre-2003 Credit Carryover

	(a) Taxable year	(b) Original credit amount	(c) Amount previously used	(d) Available carryover - subtract column (c) from column (b)
30	2001			
31	2002			
32	Total available pre-2003 carryover			

Part VI Available Post-2002 Credit Carryover

	(a) Taxable year	(b) Original credit amount	(c) Amount previously used	(d) Available carryover - subtract column (c) from column (b)
33	2003			
34	2004			
35	2005			
36	2006			
37	2007			
38	2008			
39	2009			
40	2010			
41	Total available post-2002 carryover			

Part VII Limitation of Credit Carryovers

If you completed Part IV and are receiving a refund, do not complete Part VII.

LIMITATION OF PRE-2003 CREDIT CARRYOVER: You may not be able to use all of your available pre-2003 credit carryovers from Part V to offset this year's tax liability. Complete Part VII to determine which credit carryovers you may claim. Also complete Part VII to figure the total of all of your available credit carryovers (amounts from Part V, line 32, column (d), and Part VI, line 41, column (d)) that you may claim this year.

42a	Current year's liability. Enter the amount from Form 301, Part II, line 35.....	42a		00
42b	Current taxable year's credit from sole proprietorships - enter the amount from Part II, line 22 ..	42b		00
42c	Current taxable year's credit from pass through entities - enter the amount from Part III, line 23...	42c		00
42d	Total current taxable year's credit. Add lines 42b and 42c.....	42d		00
42e	Subtract line 42d from line 42a - if the result is zero or less, enter zero.....	42e		00
43a	Available pre-2003 credit carryover - enter the amount from Part V, line 32, column (d).....	43a		00
43b	Enter the lesser of line 42a or \$500,000.....	43b		00
43c	Subtract line 42d from line 43b - if the result is zero or less, enter zero.....	43c		00
43d	Enter the lesser of line 43a or line 43c. This is the amount of pre-2003 carryover that you may use.....	43d		00
44	Subtract line 43d from line 42e.....	44		00
45	Enter the lesser of Part VI, line 41, column (d) or Part VII, line 44. This is the amount of post-2002 carryover that you may use.....	45		00

Part VIII Total Available Nonrefundable Credit

46	Current year's credit. If you completed Part IV and are receiving a refund - enter the amount from Part IV, line 25c. Otherwise, enter the amount from Part VII, line 42d.....	46		00
47	If you completed Part IV and are receiving a refund, enter zero. Otherwise, enter the pre-2003 carryover - from Part VII, line 43d.....	47		00
48	If you completed Part IV and are receiving a refund, enter zero. Otherwise, enter the post-2002 carryover - from Part VII, line 45.....	48		00
49	Total available credit. Add lines 46, 47 and 48. Enter total here and on Form 301, Part I, line 6.....	49		00