

Include with your return.

For the calendar year 2015 or fiscal year beginning MM, DD, 2015 and ending MM, DD, 20, Y, Y.

Name(s) as shown on Form 140, 140PY, 140NR, 140X

Social Security Number

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 1 Qualification for Refund of Current Taxable Year's Excess Credit

1 Did you receive a "Certificate of Qualification" from the Arizona Commerce Authority?..... <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", include a copy of the Certificate. If "No", skip line 2.			
2 Enter the maximum refund amount on the Certificate from the Arizona Commerce Authority for this taxable year....	2		00
3 Did an entity from which you are claiming a pass through credit for increased research activities receive a "Certificate of Qualification" from the Arizona Commerce Authority? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", include a copy of the Certificate. If "No", skip line 4 and line 5.			
4 Enter the name of the entity that received the Certificate from the Arizona Commerce Authority and its employer identification number. Be sure to include a copy of the Certificate. Name: _____ EIN: _____			
5 Enter your share of the maximum refund amount for this taxable year: See instructions	5		00

Part 2 Current Taxable Year's Credit Calculation (Sole Proprietorships Only)

6 Wages for qualified services (do not include wages used in figuring the federal work opportunity credit).....	6		00	
7 Cost of supplies	7		00	
8 Rental or lease cost of computers.....	8		00	
9 Contract research expenses: See instructions	9		00	
10 Total research expenses: Add lines 6 through 9. Enter the total	10		00	
11 Research expenses included on lines 6 through 9 related to solar liquid fuel that will be claimed on Arizona Form 344.....	11		00	
12 Total qualified research expenses: Subtract line 11 from line 10.....	12			00
13 Average annual Arizona gross receipts: See instructions	13		00	
14 Fixed-base percentage (not more than 16% (.1600)): See instructions.....	14	•		
15 Base amount: Multiply line 13 by the percentage on line 14. Enter the result.....	15			00
16 Subtract line 15 from line 12. If less than zero, enter zero	16			00
17 Multiply line 12 by 50% (.50). Enter the result.....	17			00
18 Enter the lesser of line 16 or line 17.....	18			00
<ul style="list-style-type: none"> If line 18 is \$2,500,000 or less, complete line 19 and skip lines 20 through 22. If line 18 is more than \$2,500,000, skip line 19 and complete lines 20 through 22. 				
19 Multiply line 18 by 24% (.24). Enter the result.....	19			00
20 Subtract \$2,500,000 from line 18. Enter the difference	20		00	
21 Multiply line 20 by 15% (.15). Enter the result.....	21		00	
22 Add \$600,000 to line 21. Enter the total	22			00
23 Enter the amount from line 19 or 22 here.....	23			00

Part 3 Current Taxable Year's Credit Passed Through From S Corporations and Partnerships

24 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. Include copies of any Form(s) 308-I with your tax return			
25 Total Credit: Add line 23 and line 24. Enter the total. This is your current year's total credit for increased research activities	25		00

Name (as shown on page 1)	SSN
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Part 4 Refundable Portion of the Current Taxable Year's Excess Credit

Only complete Part 4 if the "Yes" box on Part 1, line 1 or Part 1, line 3 is checked.

26	Total current taxable year's credit: Enter the amount from Part 3, line 25.....			26	00
27a	Subtotal of tax: Enter the amount from Form 140, line 48; or Form 140PY, line 60; or Form 140NR, line 58; or Form 140X, line 32.....	27a	00		
27b	Nonrefundable tax credits: Enter the amount of nonrefundable tax credits from Form 301, line 33 less the amount (if any) on Form 301, line 5, column (c)	27b	00		
27c	Current taxable year's credit for increased research activities that will be used to offset the current taxable year's tax liability: Subtract line 27b from line 27a and enter the difference. If the difference is zero or more, enter it on Part 8, line 52; also enter it on Form 301, Part 1, line 5, column (a), and on Form 301, Part 2, line 48. If the difference is less than zero, enter zero.....			27c	00
28	Current taxable year's excess credit: Subtract line 27c from line 26 and enter the difference. If less than zero, enter zero, because no refund is available.....			28	00
29	Tentative refundable credit: Multiply line 28 by 75% (.75). Enter the result.....			29	00
30	Maximum refundable credit: See instructions.....			30	00
31	Refundable Credit: Enter the lesser of line 29 or line 30. See instructions			31	00

Complete Part 5 and Part 6 if you have carryovers from prior years. If you elect to receive a refund of 75% of the excess credit, you cannot carry forward any amount from the year of the refund.

Part 5 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).		
32	2001		00	00		
33	2002		00	00		
34	TOTAL AVAILABLE PRE-2003 CARRYOVER: Add lines 32 and 33 in column (d)				34	00

Part 6 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).		
35	2003		00	00		
36	2004		00	00		
37	2005		00	00		
38	2006		00	00		
39	2007		00	00		
40	2008		00	00		
41	2009		00	00		
42	2010		00	00		
43	2011		00	00		
44	2012		00	00		
45	2013		00	00		
46	2014		00	00		
47	TOTAL AVAILABLE POST-2002 CARRYOVER: Add lines 35 through 46 in column (d).....				47	00

Continued on page 3 →

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Part 7 Limitation of Credit Carryovers

If you completed Part 4 and are receiving a refund, do not complete Part 7.

LIMITATION OF PRE-2003 CREDIT CARRYOVER: You may not be able to use all of your available pre-2003 credit carryovers from Part 5 to offset this year's tax liability. Complete Part 7 to determine which credit carryovers you may claim. Also complete Part 7 to figure the total of all of your available credit carryovers (amounts from Part 5, line 34, column (d), and Part 6, line 47, column (d)) that you may claim this year.

48a Current year's liability: Enter the amount from Form 301, Part 2, line 41.....	48a		00
48b Current year's total credit: Enter the amount from Part 3, line 25	48b		00
48c Subtract line 48b from line 48a. If the difference is zero or less, enter zero.....	48c		00
49a Available pre-2003 credit carryover: Enter the amount from Part 5, line 34, column (d).....	49a	00	
49b Enter the lesser of line 48a or \$500,000.....	49b	00	
49c Subtract line 48b from line 49b. If the difference is zero or less, enter zero.....	49c	00	
49d Enter the lesser of line 49a or line 49c. This is the amount of pre-2003 carryover that you may use	49d		00
50 Subtract line 49d from line 48c.....	50		00
51 Enter the lesser of Part 6, line 47, column (d) or Part 7, line 50. This is the amount of post-2002 carryover that you may use	51		00

Part 8 Total Available Nonrefundable Credit

52 Current year's credit: If you completed Part 4 and are receiving a refund, enter the amount from Part 4, line 27c. Otherwise, enter the amount from Part 3, line 25. • Also enter this amount on Form 301, line 5, column (a)	52		00
53 If you completed Part 4 and are receiving a refund, enter zero. Otherwise, enter the pre-2003 carryover from Part 7, line 49d	53		00
54 If you completed Part 4 and are receiving a refund, enter zero. Otherwise, enter the post-2002 carryover from Part 7, line 51. • Also enter the sum of lines 53 and 54 (total carryover) on Form 301, line 5, column (b).....	54		00
55 Total available credit: Add lines 52, 53, and 54. • Also enter this amount on Form 301, Part 1, line 5, column (c)	55		00