

For taxable year beginning _____, and ending _____

Attach to your return

Name as shown on Forms 120, 120A, 120S, 120X, or 165	Employer identification number
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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	Total available credit - add lines 64, 65, 66, and 67. Enter result here and on Form 300 Part I, line 6.....	68		00