

For the calendar year 2008 or
fiscal year beginning MM, D, D, Y, Y, Y, Y and ending MM, D, D, Y, Y, Y, Y.

Attach to your return.

Name as shown on Form 120, 120A, 120S, 120X, or 165	Employer identification number
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Part I Current Taxable Year's Credit Calculation

1 Basic research payments paid or incurred to qualified organizations. <i>See instructions</i>	1		00
2 Qualified organization base period amount	2		00
3 Subtract line 2 from line 1. <i>If less than zero, enter zero</i>		3	00
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. <i>See instructions</i>	7		00
8 Total qualified research expenses. <i>Add lines 4 through 7. Enter the total</i>		8	00
9 Average annual Arizona gross receipts. <i>See instructions</i>	9		00
10 Fixed-base percentage (not more than 16%). <i>See instructions</i>	10	.	
11 Base amount. <i>Multiply line 9 by the percentage on line 10. Enter the result</i>		11	00
12 Subtract line 11 from line 8. <i>If less than zero, enter zero</i>		12	00
13 Multiply line 8 by 50% (.50). <i>Enter the result</i>		13	00
14 Enter the lesser of line 12 or line 13		14	00
15 Add lines 3 and 14. <i>Enter the total</i>		15	00

IF LINE 15 IS \$2,500,000 OR LESS, COMPLETE LINE 16 AND SKIP LINES 17 THROUGH 19. IF LINE 15 IS MORE THAN \$2,500,000, SKIP LINE 16 AND COMPLETE LINES 17 THROUGH 19.

16 Multiply line 15 by 20% (.20). <i>Enter the result</i>			00
17 Subtract \$2,500,000 from line 15. <i>Enter the difference</i>	17		00
18 Multiply line 17 by 11% (.11). <i>Enter the result</i>	18		00
19 Add \$500,000 to line 18. <i>Enter the total</i>		19	00
20 Enter the amount from line 16 or 19 here. This is your current year's credit		20	00

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

21 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 20 (for the taxable year mentioned above);

OR

Pass the credit for increased research activities as shown on Part I, line 20 (for the taxable year mentioned above) through to its shareholders.

Signature Title Date

If passing the credit through to the shareholders, complete lines 22 through 24 separately for each shareholder.
Furnish each shareholder with a copy of the completed Form 308.

22 Name of shareholder _____			
23 Shareholder's TIN _____			
24 Shareholder's share of the amount on Part I, line 20		24	00

Part III Partner's Share of Credit

Complete lines 25 through 27 separately for each partner.
 Furnish each partner with a copy of the completed Form 308.

25 Name of partner _____
 26 Partner's TIN _____
 27 Partner's share of the amount on Part I, line 20

27	00
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Part IV Available Pre-2003 Credit Carryover

	(a) Taxable year	(b) Original credit amount	(c) Amount previously used or expired	(d) Available carryover - subtract column (c) from column (b)
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38	Total available pre-2003 carryover			

Part V Available Post-2002 Credit Carryover

	(a) Taxable year	(b) Original credit amount	(c) Amount previously used or expired	(d) Available carryover - subtract column (c) from column (b)
39				
40				
41				
42				
43				
44	Total available post-2002 carryover			

Part VI Limitation of Pre-2003 Credit Carryover

If you have credit carryovers from tax years 2002 and before, complete this section. If you do not, skip this section and go directly to Part VII. The amount of credit carryover from years 2002 and before that you can use is limited. Complete this schedule to determine how much of this carryover you can use to offset this year's tax liability.

45a	Enter current year's tax liability from Form 300, line 25.....	45a		00
45b	Compare line 45a with \$500,000. <i>Enter the lesser amount.</i>	45b		00
45c	Current year's credit. Corporations or S corporations - <i>enter amount from Part I, line 20.</i> Corporate partners of a partnership - <i>enter amount from Part III, line 27.</i>	45c		00
45d	Subtract line 45c from line 45b. If the result is zero or less, enter zero. This is the amount of this year's tax liability to which you may apply your pre-2003 carryovers	45d		00
45e	Enter the total of your pre-2003 credit carryovers from Part IV, line 38, column (d)	45e		00
45f	Compare lines 45d and 45e and enter the lesser amount here. This is the amount of pre-2003 credit carryovers you can use to offset this year's tax liability.....	45f		00

Part VII Limitation of Post-2002 Credit Carryover

If you have credit carryovers from tax years 2003 and after, complete this section. If you do not, skip this section and go directly to Part VIII. The amount of credit carryover from years 2003 and after that you can use is limited. Complete this schedule to determine how much of this carryover you may be able to use to offset this year's tax liability.

46a	Enter current year's tax liability from Form 300, line 25.....	46a		00
46b	Current year's credit. Corporations or S corporations - <i>enter amount from Part I, line 20.</i> Corporate partners of a partnership - <i>enter amount from Part III, line 27.</i>	46b		00
46c	Subtract line 46b from line 46a. If the result is zero or less, enter zero. This is the amount of this year's tax liability to which you may apply your post-2002 carryovers.....	46c		00
46d	Enter the total of your post-2002 credit carryovers from Part V, line 44, column (d)	46d		00
46e	Compare lines 46c and 46d and enter the lesser amount here. This is the amount of post-2002 credit carryovers you can use to offset this year's tax liability.....	46e		00

Part VIII Total Available Credit

47	Current year's credit. Corporations or S corporations - <i>enter amount from Part I, line 20.</i> Corporate partners of a partnership - <i>enter amount from Part III, line 27.</i>	47		00
48	Pre-2003 credit carryover - <i>from Part VI, line 45f</i>	48		00
49	Post-2002 credit carryover - <i>from Part VII, line 46e</i>	49		00
50	Total available credit. <i>Add lines 47, 48, and 49. Enter the result here and on Form 300, Part I, line 5.</i>	50		00