

For the calendar year 2012, 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, 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 I Qualification for Refund of Current Taxable Year's Excess Credit

- 1 Did you receive a "Certificate of Qualification" from the Arizona Commerce Authority?
- ☐
- Yes
- ☐
- No

If "Yes", attach 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
- | | |
|--|----|
| | 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?
- ☐
- Yes
- ☐
- No

If "Yes", attach 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 taxpayer identification number. Be sure to attach a copy of the Certificate.

Name: _____

TIN: _____

- 5 Enter your share of the maximum refund amount for this taxable year. See instructions.....
- | | |
|--|----|
| | 00 |
|--|----|

Part II 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
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- 7 Cost of supplies

7		00
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- 8 Rental or lease cost of computers

8		00
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- 9 Contract research expenses. See instructions

9		00
---	--	----

- 10 Total research expenses. Add lines 6 through 9. Enter the total

10		00
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- 11 Research expenses included on lines 6 through 9 related to solar liquid fuel that will be claimed on Arizona Form 344.

11		00
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- 12 Total qualified research expenses. Subtract line 11 from line 10.....
- | | |
|--|----|
| | 00 |
|--|----|

- 13 Average annual Arizona gross receipts. See instructions.....
- | | | |
|----|--|----|
| 13 | | 00 |
|----|--|----|

- 14 Fixed-base percentage (not more than 16% (.1600)). See instructions

14		00
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- 15 Base amount. Multiply line 13 by the percentage on line 14. Enter the result.....
- | | |
|--|----|
| | 00 |
|--|----|

- 16 Subtract line 15 from line 12. If less than zero, enter zero (0).....
- | | |
|--|----|
| | 00 |
|--|----|

- 17 Multiply line 12 by 50% (.50). Enter the result.....
- | | |
|--|----|
| | 00 |
|--|----|

- 18 Enter the lesser of line 16 or line 17
- | | |
|--|----|
| | 00 |
|--|----|

• 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.....
- | | |
|--|----|
| | 00 |
|--|----|

- 20 Subtract \$2,500,000 from line 18. Enter the difference

20		00
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- 21 Multiply line 20 by 15% (.15). Enter the result.....
- | | | |
|----|--|----|
| 21 | | 00 |
|----|--|----|

- 22 Add \$600,000 to line 21. Enter the total

	00
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- 23 Enter the amount from line 19 or 22 here

	00
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Part III 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.)
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- Attach copies of any Form(s) 308 to your tax return.

24		00
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- 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
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Name (as shown on page 1)	SSN
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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 Part I, line 3 is checked.

26 Total current taxable year's credit. Enter the amount from Part III, line 25.....	26	00
27a Subtotal of tax. Enter the amount from Form 140, line 21; or Form 140PY, line 24; or Form 140NR, line 24; or Form 140X, line 28	27a	00
27b Nonrefundable tax credits. Enter the amount of nonrefundable tax credits from Form 301. Exclude the credit or carryover for increased research activities.....	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. Enter the difference. If the difference is zero or more, enter it on Part VIII, line 49; also enter it on Form 301, Part I, line 5, and on Form 301, Part II, line 43. If the difference is less than zero, enter zero	27c	00
28 Current taxable year's excess credit - subtract line 27c from line 26. 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 V and Part VI if you have carryovers from prior years.

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

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).
35	2003			
36	2004			
37	2005			
38	2006			
39	2007			
40	2008			
41	2009			
42	2010			
43	2011			
44	TOTAL AVAILABLE POST-2002 CARRYOVER: Add lines 35 through 43 in column (d)			

Continued on page 3 →

Name (as shown on page 1)	SSN
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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 34, column (d), and Part VI, line 44, column (d)) that you may claim this year.

45a Current year's liability. Enter the amount from Form 301, Part II, line 36	45a		00
45b Current year's total credit. Enter the amount from Part III, line 25.....	45b		00
45c Subtract line 45b from line 45a - if the difference is zero or less, enter zero.....	45c		00
46a Available pre-2003 credit carryover - enter the amount from Part V, line 34, column (d)	46a		00
46b Enter the lesser of line 45a or \$500,000.....	46b		00
46c Subtract line 45b from line 46b - if the difference is zero or less, enter zero.....	46c		00
46d Enter the lesser of line 46a or line 46c. This is the amount of pre-2003 carryover that you may use	46d		00
47 Subtract line 46d from line 45c	47		00
48 Enter the lesser of Part VI, line 44, column (d) or Part VII, line 47. This is the amount of post-2002 carryover that you may use	48		00

Part VIII Total Available Nonrefundable Credit

49 Current year's credit. If you completed Part IV and are receiving a refund - enter the amount from Part IV, line 27c. Otherwise, enter the amount from Part III, line 25.....	49		00
50 If you completed Part IV and are receiving a refund, enter zero. Otherwise, enter the pre-2003 carryover - from Part VII, line 46d.....	50		00
51 If you completed Part IV and are receiving a refund, enter zero. Otherwise, enter the post-2002 carryover - from Part VII, line 48	51		00
52 Total available credit. Add lines 49, 50 and 51. Enter total here and on Form 301, Part I, line 5	52		00