

2014 MinnesotaCare Research Credit

Include this worksheet with your MinnesotaCare tax return.

| | |
|---------------|-------------------------|
| Business Name | Minnesota Tax ID Number |
| Address | City |
| | State |
| | Zip Code |

Round amounts to the nearest whole dollar.

| | | |
|--|----------|--|
| 1 2014 MinnesotaCare tax liability (from line 11 of your 2014 Worksheet C) | 1 | |
| 2 Qualifying receipts subject to MinnesotaCare tax that were used to fund qualifying research in 2014 | 2 | |
| 3 Multiply line 2 by 1.5% (.015) | 3 | |
| 4 MinnesotaCare Research Credit. Enter the amount from line 1 or line 3, whichever is less | 4 | |

Instructions

Who is Eligible

Health care providers and hospitals may be eligible for a credit against their MinnesotaCare tax liability if they used their health care receipts to fund qualifying health care research.

To qualify, the entity conducting the research must be:

- Exempt from federal income tax under IRC section 501c(3), OR
- Owned and operated under the authority of a unit of government.

Qualifying research must:

- Be part of a formal program of medical and health care research.
- Be approved in writing by the governing body of the health care provider or hospital claiming the credit.
- Have as its purpose the development of new knowledge in basic or applied science relating to the diagnosis and treatment of conditions affecting the human body.
- Conform with federal regulations and be subject to review and supervision by:
 - an institutional review board, if the research involves human subjects;
 - an institutional animal care and use committee, if the research involves animals subjects; or

—a peer review process, if the research is basic research in the fields of biochemistry, molecular biology or physiology.

- Be subject to review by individuals who have expertise in the subject matter but no financial interest in the research and no involvement in conducting it.

Qualifying research **does not** include:

- Clinical research activities paid directly for the benefit of an individual patient, or
- Routine evaluations for health care methods or products conducted for the purpose of making a management decision.

Qualifying Receipts

To claim the credit, the health care receipts used to fund the research must be subject to the MinnesotaCare tax.

Receipts that are exempt from tax cannot be used to calculate the credit, including exempt receipts under Minnesota Statutes, section 295.53, subd. 1; any amounts reported on lines 2 – 8 of your MinnesotaCare tax return; and any grants, gifts or other funds on which MinnesotaCare tax is not imposed.

Calculating the Credit

The credit is equal to a percentage of the expenditures used to fund the qualifying research and cannot exceed the amount of your MinnesotaCare tax liability for the year. The percentage is determined annually. For 2014, the percentage is 1.5 percent.

How to File

If you qualify for the MinnesotaCare tax research credit, you will not be able to file your 2014 return electronically in e-Services.

Instead, complete this worksheet in addition to Worksheet C. Forms are available on our website.

Mail both forms by March 16, 2015 to:

MinnesotaCare Tax
Mail Station 6100
St. Paul, MN 55146-6100

Or fax to: 651-556-5233

Information and Assistance

Additional information about the research credit, including how it differs from the MinnesotaCare tax research exemption, can be found in Revenue Notice #06-07, which is available on our website.

If you have questions about the research credit or need help filing your return, please contact us.

- Email: MinnesotaCare.tax@state.mn.us
- Phone: 651-282-5533