ARIZONA FORM
308

Credit for Increased Research Activities

2011

For the calendar year 2011 or
fiscal year beginning MMDDYYYY and ending MMDDYYYY.

Attach to your return.

Name as shown on Form 120, 120A, 120S, 120X, or 165	Employer identification number

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? *If yes, attach a copy of the Certificate. If no, skip line 2. Also skip Part V* ☐ Yes ☐ No

2 Enter the maximum refund amount on the Certificate from the Arizona Commerce Authority for this taxable year .... 2 ______ 00

Part II Current Taxable Year's Credit Calculation

3	Basic research payments paid or incurred to qualified organizations. *See instructions*	3	00		
4	Qualified organization base period amount	4	00		
5	Subtract line 4 from line 3. *If less than zero, enter zero*			5	00
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
19	Add lines 5 and 18. *Enter the total*			19	00

IF LINE 19 IS $2,500,000 OR LESS, COMPLETE LINE 20 AND SKIP LINES 21 THROUGH 23. IF LINE 19 IS MORE THAN $2,500,000, SKIP LINE 20 AND COMPLETE LINES 21 THROUGH 23.

20	Multiply line 19 by 24% (.24). *Enter the result*			20	00
21	Subtract $2,500,000 from line 19. *Enter the difference*	21	00		
22	Multiply line 21 by 15% (.15). *Enter the result*	22	00		
23	Add $600,000 to line 22. *Enter the total*			23	00
24	Enter the amount from line 20 or 23 here. **This is your current year's credit for increased research activities**			24	00

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

25 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 II, line 24 (for the taxable year mentioned above);

OR

☐ Pass the credit for increased research activities as shown on Part II, line 24 (for the taxable year mentioned above) through to its shareholders.

Signature ______ Title ______ Date ______

If passing the credit through to the shareholders, complete lines 26 through 28 separately for each shareholder. Also complete line 29 separately for each shareholder, if applicable. Provide a copy of the Certificate to each shareholder. Furnish each shareholder with a copy of the completed Form 308.

26 Name of shareholder ______
27 Shareholder's TIN ______

28	Shareholder's share of the amount on Part II, line 24	**28**	**00**
29	Shareholder's share of the amount on Part I, line 2	**29**	**00**

Part IV Partner's Share of Credit

Complete lines 30 through 32 separately for each partner. Also complete line 33 separately for each partner, if applicable. Provide a copy of the Certificate to each partner. Furnish each partner with a copy of the completed Form 308.

30 Name of partner ______
31 Partner's TIN ______

32	Partner's share of the amount on Part II, line 24	**32**	**00**
33	Partner's share of the amount on Part I, line 2	**33**	**00**

Part V Refundable Portion of the Current Taxable Year's Excess Credit

ONLY COMPLETE PART V IF THE "YES" BOX ON PART I, LINE 1, IS CHECKED.

34	Current taxable year's credit. Corporations or S corporations - *enter the amount from Part II, line 24.* Corporate partners of a partnership - *enter the amount from Part IV, line 32*			**34**	**00**
35a	Enter the current year's tax, including recapture, from Form 120, line 18; or Form 120A, line 10; or Form 120S, line 14; or Form 120X, line 18(c)	**35a**	**00**		
35b	Clean Elections Fund Tax Reduction. Enter the amount from Form 120, line 19; or Form 120A, line 11; or Form 120S, line 15; or Form 120X, line 19(c)	**35b**	**00**		
35c	Subtotal. *Subtract line 35b from line 35a*	**35c**	**00**		
35d	Nonrefundable tax credits. *Enter the amount of nonrefundable tax credits from Form 300. Exclude the credit or carryover for increased research activities*	**35d**	**00**		
35e	Current taxable year's credit for increased research activities that will be used to offset the current taxable year's tax liability – *subtract line 35d from line 35c. Enter the difference. If the difference is zero or more, enter it on Part X, line 59; also enter it on Form 300, Part I, line 5, and Form 300, Part II, line 34. If less than zero, enter zero.*			**35e**	**00**
36	Current taxable year's excess credit - *subtract line 35e from line 34. Enter the difference. If less than zero, enter zero, because no refund is available*			**36**	**00**
37	Tentative refundable credit - *multiply line 36 by 75% (.75). Enter the result*			**37**	**00**
38	Maximum refundable credit. Corporations and S corporations - *enter the amount from Part I, Line 2.* Corporate partners of a partnership - *enter the amount from Part IV, line 33*			**38**	**00**
39	**Refundable Credit.** *Enter the lesser of line 37 or line 38. Also enter this amount on Form 120, line 25; or Form 120A, line 17; or Form 120S, line 21; or Form 120X, line 25*			**39**	**00**

COMPLETE PART VI AND VII IF YOU HAVE CARRYOVERS FROM PRIOR YEARS. SKIP PART VIII AND PART IX.

Part VI 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)*
40				
41				
42				
43				
44				
45				
46				
47	Total available pre-2003 carryover			

Part VII 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)*
48				
49				
50				
51				
52				
53				
54				
55				
56	Total available post-2002 carryover			

Part VIII Limitation of Pre-2003 Credit Carryover

If you completed Part V and are receiving a refund, do not complete Part VIII.

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 IX. 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.

57a	Current year's tax liability. *Enter the amount from Form 300, line 29*	**57a**		00
57b	Compare line 57a with $500,000. *Enter the lesser amount*	**57b**		00
57c	Current taxable year's credit. Corporations or S corporations - *enter the amount from Part II, line 24.* Corporate partners of a partnership - *enter the amount from Part IV, line 32*	**57c**		00
57d	Subtract line 57c from line 57b - *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	**57d**		00
57e	Enter the total of your pre-2003 credit carryovers from Part VI, line 47, column (d)	**57e**		00
57f	Compare lines 57d and 57e 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	**57f**		00

Part IX Limitation of Post-2002 Credit Carryover

If you completed Part V and are receiving a refund, do not complete Part IX.

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 X. 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.

58a	Current year's tax liability. *Enter the amount from Form 300, line 29*	58a		00
58b	Current taxable year's credit. Corporations or S corporations - *enter the amount from Part II, line 24.* Corporate partners of a partnership - *enter the amount from Part IV, line 32*	58b		00
58c	Subtract line 58b from line 58a - *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	58c		00
58d	Enter the total of your post-2002 credit carryovers from Part VII, line 56, column (d)	58d		00
58e	Compare lines 58c and 58d 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	58e		00

Part X Total Available Nonrefundable Credit

59	Current year's credit. If you completed Part V and are receiving a refund – *enter the amount from Part V, line 35e.* Corporations or S corporations not receiving a refund – *enter the amount from Part II, line 24.* Corporate partners of a partnership not receiving a refund – *enter the amount from Part IV, line 32*	59		00
60	If you completed Part V and are receiving a refund, enter zero. Otherwise, enter the pre-2003 carryover – *from Part VIII, line 57f*	60		00
61	If you completed Part V and are receiving a refund, enter zero. Otherwise, enter the post-2002 carryover – *from Part IX, line 58e*	61		00
62	**Total available credit.** *Add lines 59, 60, and 61. Enter the result here and on Form 300, Part I, line 5*	62		00

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