

Caution: DRAFT FORM

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

Name(s) shown on return

Identifying number

Section A—Regular Credit. Skip this section and go to Section B if you are electing or previously elected (and are not revoking) the alternative simplified credit.

1	Certain amounts paid or incurred to energy consortia (see instructions)			1	
2	Basic research payments to qualified organizations (see instructions)	2			
3	Qualified organization base period amount	3			
4	Subtract line 3 from line 2. If zero or less, enter -0-			4	
5	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	5			
6	Cost of supplies	6			
7	Rental or lease costs of computers (see instructions)	7			
8	Enter the applicable percentage of contract research expenses (see instructions)	8			
9	Total qualified research expenses. Add lines 5 through 8	9			
10	Enter fixed-base percentage, but not more than 16% (see instructions)	10			%
11	Enter average annual gross receipts (see instructions)	11			
12	Multiply line 11 by the percentage on line 10	12			
13	Subtract line 12 from line 9. If zero or less, enter -0-	13			
14	Multiply line 9 by 50% (.50)	14			
15	Enter the smaller of line 13 or line 14			15	
16	Add lines 1, 4, and 15			16	
17	Are you electing the reduced credit under section 280C? ▶ Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," multiply line 16 by 13% (.13). If "No," multiply line 16 by 20% (.20) and see the instructions for the schedule that must be attached. Members of controlled groups or businesses under common control: see instructions for the schedule that must be attached			17	

Section B—Alternative Simplified Credit. Skip this section if you are completing Section A.

18	Certain amounts paid or incurred to energy consortia (see the line 1 instructions)			18	
19	Basic research payments to qualified organizations (see the line 2 instructions)	19			
20	Qualified organization base period amount (see the line 3 instructions)	20			
21	Subtract line 20 from line 19. If zero or less, enter -0-			21	
22	Add lines 18 and 21			22	
23	Multiply line 22 by 20% (.20)			23	
24	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	24			
25	Cost of supplies	25			
26	Rental or lease costs of computers (see the line 7 instructions)	26			
27	Enter the applicable percentage of contract research expenses (see the line 8 instructions)	27			
28	Total qualified research expenses. Add lines 24 through 27	28			
29	Enter your total qualified research expenses for the prior 3 tax years. If you had no qualified research expenses in any one of those years, skip lines 30 and 31	29			
30	Divide line 29 by 6.0	30			
31	Subtract line 30 from line 28. If zero or less, enter -0-	31			
32	Multiply line 31 by 14% (.14). If you skipped lines 30 and 31, multiply line 28 by 6% (.06)			32	

Section B—Alternative Simplified Credit *(continued)*

33	Add lines 23 and 32	33		
34	Are you electing the reduced credit under section 280C? ► Yes <input type="checkbox"/> No <input type="checkbox"/> If “Yes,” multiply line 33 by 65% (.65). If “No,” enter the amount from line 33 and see the line 17 instructions for the schedule that must be attached. Members of controlled groups or businesses under common control: see instructions for the schedule that must be attached	34		

Section C—Summary

35	Enter the portion of the credit from Form 8932, line 2, that is attributable to wages that were also used to figure the credit on line 17 or line 34 (whichever applies)	35		
36	Subtract line 35 from line 17 or line 34 (whichever applies). If zero or less, enter -0-	36		
37	Credit for increasing research activities from partnerships, S corporations, estates, and trusts	37		
38	Add lines 36 and 37. Estates and trusts go to line 39; partnerships and S corporations, report this amount on Schedule K; all others, report this amount on line 1c of Form 3800	38		
39	Amount allocated to beneficiaries of the estate or trust (see instructions)	39		
40	Estates and trusts: subtract line 39 from line 38. Report the credit on line 1c of Form 3800	40		