

RESEARCH CREDIT (RC) QUESTIONNAIRE

REQUIRED RESEARCH CREDIT (RC) DISCLOSURE FOR CURRENT/POTENTIAL CAP TAXPAYERS

(Taxpayer Name) - Research Credit (RC) Disclosure to IRS Exam

CAP Tax Year Ended: **YYYYMM**

Date of disclosure: **MM/DD/YYYY**

PRIOR PERIOD RC EXAMINATION HISTORY:

- Did the taxpayer claim RC in the tax year prior to year **YYYYMM**? YES/NO
- If YES, was that year's RC examined? YES/NO
- If YES, did the Service propose an adjustment? YES/NO
- If YES, was any credit associated with Internal Use Software (IUS)? YES/NO
- If YES, did the Service engage MITRE in the examination?
- If YES, was the proposed adjustment Agreed or Unagreed? If Unagreed, how was the issue resolved? FastTrack? Appeals? Other? Please explain.
- If NO, does the taxpayer intend to claim an RC for the prior year in an amended return filing? YES/NO

CAP YEAR **YYYYMM** RC QUESTIONS:

Is taxpayer claiming research credit for CAP year **YYYYMM**? YES/NO

- If NO, this form is not applicable to you. Please, sign and return the form.

If YES:

- Is there a change, from the prior tax year, in the taxpayer's methodology for identifying business components? YES/NO
 - If YES, please explain.
- Is there an anticipated and/or actual business acquisition that will impact or is expected to impact the taxpayer's methodology for identifying or computing QREs with respect to business components? YES/NO
 - If YES, please explain.
- Has the taxpayer identified business components not previously examined? YES/NO
 - If YES, please list these business components and the QREs associated with them as determined as of this time.
- Is there a change, from the prior tax year, in the taxpayer's methodology for identifying qualified research activities? YES/NO
 - If YES, please explain.

- Is there a change, from the prior tax year, in the taxpayer's methodology for calculating qualified research expenses with respect to wages, supplies or contract research? YES/NO
 - If YES, please explain.
 - If YES, what is the estimated amount of change in QREs? Please provide supporting calculations.
- Is there a change, from the prior year, in the taxpayer's controlled group affecting the calculation or amount of the research credit? YES/NO
 - If YES, please explain including discussions, if applicable, of any changes in methodology associated with new controlled group members.
- Has the taxpayer engaged the services of a third-party preparer to conduct a research credit review or study? YES/NO
 - If YES, please provide a copy of the engagement letter and/or contract agreement between the taxpayer and third-party detailing the services being provided.
 - If YES, what are the specific reasons cited by the preparer justifying or providing the basis for proceeding with an RC review or study. Please explain.
 - If YES, please contact your Account Coordinator to arrange a meeting with all parties involved in the review or study.
- Does the taxpayer intend to follow the ASC 730 Directive? YES/NO
 - If YES, please provide current calculations under the terms of the Directive.
 - If YES, please provide current calculations for any research expenses claimed that exceed those allowed within the safe harbor of the ASC 730 Directive.
- Does the taxpayer intend to follow any other RC Directive? YES/NO
 - If YES, please identify the specific Directive.
- What are both the dollar amount of RC and percentage tax rate benefit of the RC as reflected (whether separately stated or not) in the amounts shown in the most recent income tax footnote to the 10-Q or 10-K?