

Instructions for 2016 Schedule CR

Further information on these credits can be found on the schedule referred to on Schedule CR. For example, information on the agriculture credit will be found on Schedule MA-A.

IMPORTANT The various schedules also indicate what items must be enclosed with the tax return. Be sure to enclose:

- Schedule CR,
- Schedule CF for carryforward of unused credits,
- the appropriate listed schedule, and
- any additional required information. For example, programs administered by the Wisconsin Economic Development Corporation (WEDC) require certification by that corporation before claiming credits. Such certification must be enclosed.

NOTE When completing Parts 1 and II, on the appropriate line of column A, fill in the amount of credit that you have available for 2016 for each credit. In column B, fill in the amount of credit that you are actually using to offset tax for 2016.

If a credit is no longer available (only a carryforward of the credit is allowed), the amounts in Columns A and B of Schedule CR will be the same as the amounts in Columns (d) and (e) of Schedule CF.

CAUTION *Individuals and Fiduciaries* – When claiming the manufacturing or agriculture credit on line 13 or 14 of Schedule CR, the amount of credit available for 2016 to enter in column A is the amount from line 20 of the Schedule MA-A or MA-M. The amount of credit used for 2016 to enter in column B cannot be more than the amount on line 22 of Schedule MA-A or MA-M.

Part I – Credits for Individuals, Fiduciaries, and Corporations

A. Nonrefundable Credits (claimed before alternative minimum tax)

Line 11 Add the amounts on lines 1 through 10, column B. Enter the total on line 11, column B. *Individuals* – Enter the amount from line 11, column B on line 24 of Form 1 or line 50 of Form 1NPR. *Estates and trusts* – Enter the amount from line 11, column B on line 7 of Form 2 or line 17 of Form 4T. **Enclose Schedule CR and the appropriate schedule for each credit you are claiming with your Form 1, 1NPR, 2, or 4T.** *Corporations* – Enter the amount from line 11, column B on line 40, column B of Schedule CR.

B. Nonrefundable Credits

Line 35 Add the amounts on lines 27 through 34, column B and enter the total on line 35, column B. *Individuals* – Enter the amount from line 35, column B on line 30 of Form 1 or line 56 of Form 1NPR. *Estates and trusts* – Enter the amount from line 35, column B on line 11 of Form 2 or line 17 of Form 4T. (**Note** For trusts filing Form 4T that have credit amounts on both lines 11, column B and 35, column B of Schedule CR, add the amounts on lines 11, column B and 35, column B and fill in the total on line 17 of Form 4T.) **Enclose Schedule CR and the appropriate schedule for each credit you are claiming with your Form 1, 1NPR, 2 or 4T.** *Corporations* – Enter the amount from line 35, column B on line 41, column B of Schedule CR.

C. Refundable Credits

Line 39 Add the amounts on lines 36, 37, and 38, column B. Enter the total on line 39, column B. *Individuals* – Enter the amount from line 39, column B on line 47 of Form 1 or line 72 of Form 1NPR. *Estates and trusts* – Enter the amount from line 39, column B on line 19 of Form 2 or line 28 of Form 4T. **Enclose Schedule CR and the appropriate schedule for each credit you are claiming with your Form 1, 1NPR, 2 or 4T.** *Corporations* – Enter the amount from line 39, column B on line 45, column B of Schedule CR.

Part II – Credits for Corporations Only

A. Nonrefundable Credits

Line 44 Add lines 40 through 43, column B. This is the total available nonrefundable credits. Enter the total on line 44, column B and on line 19 of Form 4 or line 9 of Form 4T. **Enclose Schedule CR and the appropriate schedule for each credit you are claiming.**

B. Refundable Credits

Line 47 Add lines 45, 46a, and 46b, column B. This is the total available refundable credits. Enter the total on line 47, column B and on line 27 of Form 4 or line 28 of Form 4T. **Enclose Schedule CR and the appropriate schedule for each credit you are claiming.**

Individuals, Fiduciaries, and Corporations

Various options are available when determining the amount of credit to be used each year. Except for the manufacturer's sales tax credit, which must be used as determined on Schedule MS, you may choose whether to use all, a portion, or none of a nonrefundable credit for 2016.

For example, you have a \$2,000 dairy and livestock farm investment credit and a \$4,000 angel investment credit available for 2016. The amount of tax shown on the return is \$2,000. You may choose to use (1) all of the \$2,000 dairy and livestock farm investment credit and none of the angel investment credit or (2) none of the dairy and livestock farm investment and \$2,000 of the angel investment credit.

However, if two or more nonrefundable credits are used, they must be applied against gross tax in the order indicated below.

Individuals and Fiduciaries

Credits are to be applied in the order shown on lines 1-10 and 12-34 of Schedule CR.

Corporations

Credits are to be applied in the following order:

1. Manufacturer's sales tax credit carryforward
2. Manufacturing investment credit
3. Dairy and livestock farm investment credit carryforward
4. Community rehabilitation program credit
5. Research expense credits
6. Postsecondary education credit carryforward
7. Water consumption credit carryforward
8. Biodiesel fuel production credit carryforward
9. Research facilities credit carryforward
10. Super research and development credit carryforward
11. Health insurance risk-sharing plan assessments credit carryforward
12. Manufacturing and agriculture credit
13. Veteran employment credit carryforward
14. Ethanol and biodiesel fuel pump credit carryforward
15. Community development finance credit carryforward
16. Development opportunity zone or agricultural or airport development zone capital investment credit
17. Development zones credit
18. Economic development tax credit
19. Technology zone credit
20. Early stage seed investment credit
21. Supplement to federal historic rehabilitation tax credit
22. Electronic medical records credit carryforward
23. Film production investment credit carryforward
24. Film production services credit carryforward
25. Internet equipment credit carryforward