

# Instructions for 2010 Schedule CR

Further information on these credits can be found on the schedule referred to on the applicable line of Schedule CR. For example, information on the film production services credit will be found on Schedule FP.

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

- Schedule CR,
- the appropriate listed schedule, and
- any additional required information. For example, programs administered by the Wisconsin Department of Commerce require certification by that department before claiming credits. Such certification must be enclosed with the return.

## Part I – Credits for Individuals, Fiduciaries, and Corporations

### A. Nonrefundable Credits (claimed before alternative minimum tax)

**Line 1** Enter the amount of any postsecondary education credit from line 5 (5b for fiduciaries) of Schedule PE.

**Line 2** Enter the amount of water consumption credit from line 8 (8b for fiduciaries) of Schedule WC.

**Line 3** *Individuals* – Enter the health insurance risk-sharing plan assessments credit from Schedule 2K-1, 3K-1, or 5K-1. *Fiduciaries* – Prorate the health insurance risk-sharing plan assessments credit from Schedule 2K-1, 3K-1, or 5K-1 between the estate or trust itself and its beneficiaries in proportion to the income allocable to each. Show only the estate's or trust's portion of the credit on line 3. Show the beneficiaries' portion of the credit on the line labeled "Beneficiaries portion." Show the credit for each beneficiary on Schedule 2K-1.

**Line 4** Enter the amount of any unused nonrefundable film production company investment credit carryforward from 2009 (Schedule FP, line 8).

**Line 5** Add the amounts on lines 1 through 4. Enter the total on line 5. *Individuals* – Enter the amount from line 5 on line 25 of Form 1 or line 51 of Form 1NPR. *Estates and trusts* – Enter the amount from line 5 on line 8 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 5 on line 28 of Schedule CR.

### B. Nonrefundable Credits

**Line 6** Enter the amount of any unused nonrefundable film production services credit carryforward from 2009 (Schedule FP, line 7).

**Line 7** Enter the amount of manufacturer's sales tax credit carryforward from Schedule MS, line 3.

**Line 8** Enter the amount of manufacturing investment credit from Schedule MI, line 6. The Department of Commerce administers the manufacturing investment program.

**Line 9** Enter the amount of dairy and livestock farm investment credit from Schedule DI, line 9. The credit is based on amounts paid for modernization or expansion of dairy and livestock farms in Wisconsin.

**Line 10** Enter the amount of ethanol and biodiesel fuel pump credit from Schedule EB, line 7. This credit is based on the cost to install or retrofit pumps located in Wisconsin that dispense

motor vehicle fuel consisting of at least 85% ethanol or at least 20% biodiesel fuel.

**Line 11** Enter the amount of development zones credit from Schedule DC, lines 7, 15, and 23. The Wisconsin Department of Commerce administers the development zones program.

**Line 12** Enter the amount of technology zone credit from Schedule TC, line 8. The Department of Commerce administers the technology zone program.

**Line 13** Enter the amount of economic development tax credit from Schedule ED, line 5. The Wisconsin Department of Commerce administers the economic development tax credit.

**Line 14** Enter the amount of early stage seed investment credit from Schedule VC, line 12. The Department of Commerce administers the early stage seed investment program.

**Line 15** Only individuals may claim the angel investment credit. Enter the amount of angel investment credit from Schedule VC, line 6. The Department of Commerce administers the angel investment program.

**Line 16** Enter the amount of Internet equipment credit from Schedule IE, line 5. The Department of Commerce administers the Internet equipment program.

**Line 17** Enter the amount of jobs tax credit from Schedule JT, line 5 (line 5b for fiduciaries). The Department of Commerce administers the jobs tax credit.

**Line 18** Add the amounts on lines 6 through 17 and enter the total on line 18. *Individuals* – Enter the amount from line 18 on line 31 of Form 1 or line 57 of Form 1NPR. *Estates and trusts* – Enter the amount from line 18 on line 13 of Form 2 or line 17 of Form 4T. (**Note** For trusts filing Form 4T that have credit amounts on both lines 5 and 18 of Schedule CR, add the amounts on lines 5 and 18 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, or 2.** *Corporations* – Enter the amount from line 18 on line 29 of Schedule CR.

### C. Refundable Credits

**Line 19** Enter the amount of enterprise zone jobs credit from Schedule EC, line 3 (3b for fiduciaries). The Department of Commerce administers the enterprise zone program.

**Line 20** Enter the amount of dairy manufacturing facility investment credit from Schedule DM, line 13 (13b for fiduciaries). The Department of Commerce administers the dairy manufacturing facility investment credit program.

**Line 21** Enter the amount of dairy cooperatives credit from line 14 (14b for fiduciaries) of Schedule DM. The Department of Commerce administers the dairy cooperatives credit.

**Line 22** Enter the amount of meat processing facility investment credit from Schedule MP, line 7 (7b for fiduciaries). The Wisconsin Department of Commerce administers the meat processing facility investment credit.

**Line 23** Enter the amount of film production services credit from Schedule FP, line 3 (3b for fiduciaries). The Department of Commerce administers the film production services credit.

**Line 24** Enter the amount of film production company investment credit from Schedule FP, line 6 (6b for fiduciaries). The Department of Commerce administers the film production company investment credit.

**Line 25** Enter the amount of woody biomass harvesting and processing credit from Schedule WB, line 5 (5b for fiduciaries).

The Department of Commerce administers the woody biomass harvesting and processing credit.

**Line 26** Enter the amount of food processing plant and food warehouse investment credit from Schedule FW, line 7 (7b for fiduciaries). The Department of Commerce administers the food processing plant and food warehouse investment credit.

**Line 27** Add the amounts on lines 19 through 26 and enter the total on line 27. *Individuals* – Enter the amount from line 27 on line 50 of Form 1 or line 75 of Form 1NPR. *Estates and trusts* – Enter the amount from line 27 on line 24 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, or 2.** *Corporations* – Enter the amount from line 27 on line 46 of Schedule CR.

## Part II – Credits for Corporations Only

### A. Nonrefundable Credits

**Line 28** Enter the amount, if any, from line 5 of Schedule CR.

**Line 29** Enter the amount, if any, from line 18 of Schedule CR.

**Line 30** Enter the amount of health insurance risk-sharing plan assessments credit from Schedule HI, line 6.

**Line 31** Enter the amount of research expense credit from Schedule R, line 30. Corporations that increase qualified research expenses in Wisconsin may claim a credit.

**Lines 32 and 33** Enter the increased credits from Schedules R-1 and R-2, line 29. Corporations that increase qualified research expenses in Wisconsin attributable to certain activities may claim the increased research credits. These activities include qualified research related to internal combustion engines and qualified research related to certain energy efficient products.

**Line 34** Enter the amount of development zones research credit carryforward.

**Line 35** Enter the research facilities credit from Schedule R, line 34. Corporations that incur expenses to construct and equip new research facilities in Wisconsin or to expand existing facilities in Wisconsin may claim a credit.

**Lines 36 and 37** Enter the increased research facilities credits from Schedules R-1 and R-2, line 33. Corporations that incur expenses to construct and equip new research facilities in Wisconsin for certain research activities may claim the increased research credits. These activities include qualified research related to internal combustion engines and qualified research related to certain energy efficient products.

**Line 38** Enter the available community development finance credit. Corporations that make contributions to the Wisconsin Housing and Economic Development Authority and, in the same year, purchase common stock in the Wisconsin Community Development Finance Company may claim a credit. The credit is nonrefundable and is equal to 75% of the purchase price of the stock, but may not exceed 75% of the amount that was contributed to the Wisconsin Community Development Finance Authority. Any unused credit may be offset against tax liabilities of the subsequent years, up to 15 years.

**Line 39** Enter the amount of development zones jobs credit carryforward.

**Line 40** Enter the amount of development zones sales tax credit carryforward.

**Line 41** Enter the amount of development zones location credit carryforward.

**Line 42** Enter the amount of development zones day care credit carryforward.

**Line 43** Enter the amount of development zones environmental remediation credit carryforward.

**Line 44** Enter the amount of supplement to the federal historical rehabilitation tax credit from Schedule HR, line 7. Corporations that rehabilitate certified historic structures located in Wisconsin and used for business purposes may claim a credit. The Wisconsin Historical Society administers the historic preservation program.

**Line 45** Add lines 28 through 44. This is the total available non-refundable credits. Enter the total on line 45 and on line 15 of Form 4, line 9 of Form 4T, or line 9 of Form 5. **Enclose Schedule CR and the appropriate schedule for each credit you are claiming.**

### B. Refundable Credits

**Line 46** Enter the amount, if any, from line 27 of Schedule CR.

**Line 47** Enter the farmland preservation credit from Schedule FC, line 18 or FC-A, line 13. Corporations organized under the laws of Wisconsin that own and operate Wisconsin farmland subject to agricultural use restrictions in the form of a zoning ordinance or a farmland preservation agreement, as provided in Chapter 91, Wis. Stats., may claim a credit.

**Line 48** Add lines 46 and 47. This is the total available refundable credits. Enter the total on line 48 and on line 23 of Form 4, line 28 of Form 4T, or line 17 of Form 5. **Enclose Schedule CR and the appropriate schedule for each credit you are claiming.**

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## Individuals, Fiduciaries, and Corporations

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For purposes of determining the carryover (if any) of each nonrefundable credit, the credit 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 1-4 and 6-17 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
4. Research expense credits
5. Postsecondary education credit
6. Water consumption credit
7. Development zones research credit carryforward
8. Research facilities credit
9. Health insurance risk-sharing plan assessments credit
10. Ethanol and biodiesel fuel pump credit
11. Community development finance credit
12. Development zones jobs credit carryforward
13. Development zones sales tax credit carryforward
14. Development zones investment credit, including development opportunity zone investment credit
15. Development zones location credit carryforward
16. Economic development tax credit
17. Development opportunity zone or agricultural or airport development zone capital investment credit
18. Development zones day care credit carryforward
19. Development zones environmental remediation credit carryforward
20. Development zones credit
21. Economic development tax credit
22. Technology zone credit
23. Early stage seed investment credit
24. Supplement to federal historic rehabilitation tax credit
25. Film production investment credit carryforward
26. Film production services credit carryforward
27. Internet equipment credit