Schedule			
R-1	**Increased Wisconsin Research Credits for Activities Related to Internal Combustion Engines**		**2014**

Schedule

R-1

Wisconsin Department of Revenue

Increased Wisconsin Research Credits
for Activities Related to Internal Combustion Engines

File with Wisconsin Form 1, 1NPR, 2, 3, 4, 4T, 5S, or 6

Read instructions before filling in this schedule

2014

Name	Identifying Number

Credit for Increasing Research Expenses

1	Enter Wisconsin research wage expenses for qualifying activities	**1**	
2	Enter Wisconsin research supplies expenses for qualifying activities	**2**	
3	Enter Wisconsin research computer rental expenses for qualifying activities	**3**	
4	Enter applicable percentage of Wisconsin contract research expenses for qualifying activities	**4**	
5	Add lines 1 through 4	**5**	
6	Enter wages included on line 5 that qualify for the Wisconsin development zones credit	**6**	
7	Subtract line 6 from line 5. This is the total Wisconsin research expenses for the qualifying activities .	**7**	

Section A Regular Credit. Complete this section only if you are claiming the regular credit.

- Skip this section and go to section B if you are electing the alternative incremental credit.
- Check (✓) if this is a one-time only change in election . . . . ⌐

8	Enter average annual Wisconsin gross receipts from the Worksheet on page 2, line 5	**8**	
9	Enter Wisconsin fixed-base percentage, but not more than 16% (0.16) from the Worksheet on page 2, line 18	**9**	_ _ _ . _ _ _ _ %
10	Multiply line 8 by the percentage on line 9. This is the base amount.	**10**	
11	Subtract line 10 from line 7. If zero or less, enter zero (0).	**11**	
12	Multiply line 7 by 50%	**12**	
13	Enter the smaller of line 11 or line 12	**13**	
14	Multiply line 13 by 10% (0.10). Continue with line 28.	**14**	

Section B Alternative Incremental Credit. Complete this section only if you are claiming the alternative incremental credit.

- Skip this section and go to line 28 if you completed Section A.
- Check (✓) if this is a one-time only change in election . . . . ⌐

15	Enter average annual Wisconsin gross receipts from the Worksheet on page 2, line 5	**15**	
16	Multiply line 15 by 1% (0.01).	**16**	
17	Subtract line 16 from line 7. If zero or less, enter zero (0)	**17**	
18	Multiply line 15 by 1.5% (0.015)	**18**	
19	Subtract line 18 from line 7. If zero or less, enter zero (0).	**19**	
20	Subtract line 19 from line 17. If zero or less, enter zero (0).	**20**	
21	Multiply line 15 by 2% (0.02).	**21**	
22	Subtract line 21 from line 7. If zero or less, enter zero (0).	**22**	
23	Subtract line 22 from line 19. If zero or less, enter zero (0).	**23**	

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24 Multiply line 20 by 2.65% (0.0265) . . . . **24** _____

25 Multiply line 23 by 3.2% (0.032) . . . . **25** _____

26 Multiply line 22 by 3.75% (0.0375) . . . . **26** _____

27 Add lines 24, 25, and 26. . . . . **27** _____

28 Research expense credit passed through from other entities:

28a Entity Name _____

  FEIN _____ Amount **28a** _____

28b Entity Name _____

  FEIN _____ Amount **28b** _____

28c Total pass through credits from additional schedule . . . . **28c** _____

28d Total pass through credits (add lines 28a through 28c) . . . . **28d** _____

29 Total research credits (add line 14 **or** line 27 to line 28d) . . . . **29** _____

29a Fiduciaries – Fill in the amount of credit allocated to beneficiaries . . . . **29a** _____

29b Fiduciaries – Subtract line 29a from line 29 . . . . **29b** _____

30 Carryover of unused research expense credit. . . . . **30** _____

31 Add lines 29 and 30 (lines 29b and 30 if fiduciary). This is the available research expense credit. . . . . **31** _____

WORKSHEET

Average Annual Wisconsin Gross Receipts	(a) 2010	(b) 2011	(c) 2012	(d) 2013
1 Total gross receipts.				
2 Out-of-state receipts included on line 1.				
3 Subtract line 2 from line 1				
4 Add line 3, columns a through d				
5 Divide amount on line 4 by 4. This is average annual Wisconsin gross receipts to enter on Schedule R-1, line 8 or line 15				

Wisconsin Fixed-Base Percentage

On lines 6-9 and 11 below, include only expenses for qualifying activities related to internal combustion engines as described in the instructions.

	(a) 1984	(b) 1985	(c) 1986	(d) 1987	(e) 1988
6 Wisconsin research wage expenses. .					
7 Wisconsin research supplies expenses					
8 Wisconsin research computer rental expenses					
9 Wisconsin contract research expenses					
10 Add lines 6 through 9					
11 Wages for Wisconsin development zones credit					
12 Subtract line 11 from line 10					
13 Add line 12, columns a through e					
14 Total gross receipts.					
15 Out-of-state receipts on line 14.					
16 Subtract line 15 from line 14					
17 Add line 16, columns a through e					

18 Divide line 13 by line 17. This is the Wisconsin fixed-base percentage to enter on Schedule R-1, line 9 . . . . . _ _ _**.**_ _ _ _ %