

2004

Wisconsin Research Credits

(Attach to Wisconsin Form 4, 4I, 4T, or 5)

Schedule R

Name

Federal Employer ID Number

Wisconsin Department of Revenue

Part I Credit for Increasing Research Expenses

Table with 8 rows for research expenses. Line 1: Enter Wisconsin research wage expenses. Line 2: Enter Wisconsin research supplies expenses. Line 3: Enter Wisconsin research computer rental expenses. Line 4: Enter applicable percentage of Wisconsin contract research expenses. Line 5: Enter expenses used to compute the federal orphan drug credit that qualify as Wisconsin research expenses. Line 6: Add lines 1 through 5. Line 7: Wages included on line 6 that qualify for the Wisconsin development zones credit. Line 8: Subtract line 7 from line 6. This is total Wisconsin research expenses.

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

(Skip this section and go to section B if you are electing the alternative incremental credit.)

Table with 8 rows for regular credit calculation. Line 9: Enter average annual Wisconsin gross receipts from the Worksheet on page 2, line 5. Line 10: Enter Wisconsin fixed-base percentage, but not more than 16% (0.16), from the Worksheet on page 2, line 19. Line 11: Multiply line 9 by the percentage on line 10. This is the base amount. Line 12: Subtract line 11 from line 8. If zero or less, enter -0-. Line 13: Multiply line 8 by 50% (0.50). Line 14: Enter the smaller of line 12 or line 13. Line 15: Multiply line 14 by 5% (0.05). This is the regular Wisconsin credit for increasing research expenses.

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

(Skip this section and go to line 29 if you completed section A.) Caution: The election to claim the alternative credit is irrevocable.

Table with 13 rows for alternative incremental credit calculation. Line 16: Enter average annual Wisconsin gross receipts from the Worksheet on page 2, line 5. Line 17: Multiply line 16 by 1% (0.01). Line 18: Subtract line 17 from line 8. If zero or less, enter -0-. Line 19: Multiply line 16 by 1.5% (0.015). Line 20: Subtract line 19 from line 8. If zero or less, enter -0-. Line 21: Subtract line 20 from line 18. If zero or less, enter -0-. Line 22: Multiply line 16 by 2% (0.02). Line 23: Subtract line 22 from line 8. If zero or less, enter -0-. Line 24: Subtract line 23 from line 20. If zero or less, enter -0-. Line 25: Multiply line 21 by 2.65% (0.0265). Line 26: Multiply line 24 by 3.2% (0.032). Line 27: Multiply line 23 by 3.75% (0.0375). Line 28: Add lines 25, 26, and 27. This is the Wisconsin alternative incremental credit.

Table with 2 rows for carryover. Line 29: Carryover of unused research expense credit. Line 30: Add line 15 or line 28 to line 29. This is the available research expense credit.

Part II Credit for Research Facilities

Table with 4 rows for research facilities credit. Line 31: Total qualified research facility expenditures. Line 32: Multiply line 31 by 5% (0.05). Line 33: Carryover of unused research facilities credit. Line 34: Add lines 32 and 33. This is the available research facilities credit.

(over)

WORKSHEET

Average Annual Wisconsin Gross Receipts	(a) 2000	(b) 2001	(c) 2002	(d) 2003
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, line 9 or line 16				

Wisconsin Fixed-Base Percentage	(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 Qualifying expenses used in federal orphan drug credit					
11 Add lines 6 through 10					
12 Wages for Wisconsin development zones credit					
13 Subtract line 12 from line 11					
14 Add line 13, columns a through e					
15 Total gross receipts					
16 Out-of-state receipts on line 15					
17 Subtract line 16 from line 15					
18 Add line 17, columns a through e					
19 Divide line 14 by line 18. This is the Wisconsin fixed-base percentage to enter on Schedule R, line 10					