PRINT IN BLACK INK

FOR PRIVACY ACT NOTICE, SEE INSTRUCTIONS.

Business or Manufacturing Corporation Excise Return 20

Ovals must be filled in completely. Example: ● If filing a calendar year return, leave blank. All others, enter appropriate dates below:

Tax year beginning (month–day–year) 01 01 2008 Tax year ending (month–day–year) 12 31 2008

CORPORATION NAME: MANUFACTURING CORP

FEDERAL IDENTIFICATION NUMBER (FID): 041 111 111

PRINCIPAL BUSINESS ADDRESS: 1 FACTORY DRIVE

CITY/TOWN/POST OFFICE: CHELSEA

STATE: MA ZIP + 4: 02150

PRINCIPAL BUSINESS ADDRESS IN MASSACHUSETTS (IF DIFFERENT)

CITY/TOWN/POST OFFICE

STATE ZIP + 4

Is the corporation incorporated within Massachusetts? ► Yes ● No

Type of corporation (select one, if applicable; enclose Form F-2) ► ● Section 38 manufacturer Mutual fund service

Type of corporation (select one, if applicable) ► R&D ● Classified mfg RIC REIT

Is the corporation participating in the filing of a U.S. consolidated return? ● Yes No

Is the corporation filing a Massachusetts combined return? (see instructions) Yes ● No

Is the corporation an insurance mutual fund holding corporation? ► Yes ● No

Is the corporation requesting alternative apportionment (enclose Form AA-1)? ► Yes ● No

Is this a final Massachusetts return? ► Yes ● No

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Principal business code (from U.S. return) ► 9 315230

FID of parent corporation, if filing a consolidated federal return ► 10 042222222

Average number of employees in Massachusetts 11 625

Average number of employees worldwide 12 1465

Date of charter in Massachusetts or first date of business in Massachusetts 13 07221987

Last year audited by IRS ► 14 1997

Have adjustments been reported to Massachusetts? ● Yes No

Is the corporation deducting intangible or interest expenses paid to a related entity? ► ● Yes No

Is the taxpayer enclosing a Taxpayer Disclosure Statement? ► Yes ● No

SIGN HERE. Under penalties of perjury, I declare that to the best of my knowledge and belief this return and enclosures are true, correct and complete.

Signature of appropriate officer (see instructions) Date / /	Print paid preparer's name	Preparer's SSN or PTIN	123456789
Title	Paid preparer's phone ( )	Paid preparer's EIN	987654321
Are you signing as an authorized delegate of the appropriate corporate officer? Yes (enclose Form M-2848) No	Paid preparer's signature	Date / /	Fill in if self-employed

Mail to: Massachusetts Department of Revenue, PO Box 7005, Boston, MA 02204.

20

Taxable Massachusetts tangible property, if applicable (from Schedule C, line 4) ►	, 6,508,882	× .0026 = ► 1	, 16,923
Taxable net worth, if applicable (from Schedule D, line 10) ►	, , ,	× .0026 = ► 2	, ,
Massachusetts taxable income (from Schedule E, line 26). Not less than "0" ►	6,294,732	× .095 = ► 3	,598,000
Credit recapture. Enclose Schedule(s) H and/or H-2 ► 4			, 2,000
Excise before credits. Add line 1 or 2, whichever applies, to total of lines 3 and 4 . 5			,616,923
Total credits (from Schedule CR, line 12) ► 6			,616,467
Excise after credits. Subtract line 6 from line 5 . 7			, ,456
Minimum excise **(cannot be prorated)** . 8			456
Excise due before voluntary contribution. (line 7 or 8, whichever is greater) . 9			, ,456
Voluntary contribution for endangered wildlife conservation ► 10			, ,100
Excise due plus voluntary contribution. Add lines 9 and 10 ► 11			, ,556
2007 overpayment applied to your 2008 estimated tax ► 12			, 5,000
2008 Massachusetts estimated tax payments (do not include amount in line 12) ► 13			, 10,000
Payment made with extension ► 14			, ,100
Refundable film credit. See instructions ► 15			, ,
Total payments. Add lines 12 through 15 . 16			, 15,100
Amount overpaid. Subtract line 11 from line 16 . 17			, 14,544
Amount overpaid to be credited to 2009 estimated tax ► 18			, 13,544
Amount overpaid to be refunded. Subtract line 18 from line 17 . Refund ► 19			, 1,000
Balance due. Subtract line 16 from line 11 . Balance due ► 20			, ,
a. M-2220 penalty ► ,	**b.** Late file/pay penalties ,	. . . . . a + b = 21	, ,
Interest on unpaid balance . 22			, ,
Total payment due at time of filing. Make check payable to Commonwealth of Massachusetts. Total due ► 23			, ,

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JULY 30, 2008
(SUBJECT TO CHANGE)

CORPORATION NAME: MANUFACTURING CORP

FEDERAL IDENTIFICATION NUMBER: 041 111 111

Balance Sheet 20

Assets	A. Original cost	B. Accumulated depreciation and amortization	C. Net book value
Capital assets in Massachusetts:			
a. Buildings ► 1a	4,848,956	2,099,229	2,749,727
b. Land ► 1b	6,383,750		6,383,750
c. Motor vehicles and trailers ► 1c	1,039,333	,631,100	,408,233
d. Machinery taxed locally ► 1d	, ,	, ,	, ,
e. Machinery **not** taxed locally 1e	6,473,155	1,150,009	5,323,146
f. Equipment 1f	, 65,366	, 13,073	, 52,293
g. Fixtures 1g	, 95,600	, 27,314	, 68,286
h. Leasehold improvements taxed locally ► 1h	, 58,375	, 18,680	, 39,695
i. Leasehold improvements **not** taxed locally 1i	,282,375	, 37,650	,244,725
j. Other fixed depreciable assets 1j	18,750	6,000	, 12,750
k. Construction in progress 1k	,590,645		,590,645
l. Total capital assets in Massachusetts ► 1l			15,873,250
Inventories in Massachusetts:			
a. General merchandise 2a			,207,364
b. Exempt goods ► 2b			, 28,375
Supplies and other non-depreciable assets in Massachusetts 3			, 9,673
Total tangible assets in Massachusetts ► 4			16,118,662
Capital assets outside of Massachusetts:			
a. Buildings and other depreciable assets 5a	5,567,481	,261,542	5,305,939
b. Land 5b	1,578,700		1,578,700
Leaseholds/leasehold improvements outside Massachusetts 6	,624,965	342,224	,282,741
Total capital assets outside Massachusetts ► 7	7,771,146	,603,766	7,167,380

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BE SURE TO CONTINUE SCHEDULE A ON OTHER SIDE.

Inventories outside Massachusetts	8	399,843
Supplies and other non-depreciable assets outside Massachusetts	9	28,991
Total tangible assets outside of Massachusetts	10	7,596,214
Total tangible assets. Add lines 4 and 10	11	23,714,876
Investments (capital stock investments and equity contributions only):		
a. Investments in subsidiary corporations at least 80% owned (enclose Schedule A-1)	► 12a	400,331
b. Other investments	► 12b	
Notes receivable	13	1,953,618
Accounts receivable	14	6,564,937
Intercompany receivables (enclose Schedule A-2)	► 15	17,500
Cash	16	6,365,508
Other assets	17	268,719
Total assets	► 18	39,285,489

Liabilities and Capital

Mortgages on:		
a. Massachusetts tangible property taxed locally	19a	1,710,991
b. Other tangible assets	19b	547,868
Bonds and other funded debt	20	356,250
Accounts payable	21	3,404,856
Intercompany payables (enclose Schedule A-3)	► 22	500,000
Notes payable	23	358,840
Miscellaneous current liabilities	24	619,500
Miscellaneous accrued liabilities	25	227,474
Total liabilities	► 26	7,725,579
Total capital stock issued	27	4,488,750
Paid-in or capital surplus	28	9,536,250
Retained earnings and surplus reserves	29	17,928,600
Undistributed S corporation net income	30	
Total capital. Add lines 27 through 30	31	31,953,600
Treasury stock	32	393,750
Total liabilities and capital. Do not enter less than "0"	33	39,285,429

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CORPORATION NAME: MANUFACTURING CORP

FEDERAL IDENTIFICATION NUMBER: 041 111 111

Tangible or Intangible Property Corporation Classification 20

Enter all values as net book values from Schedule A, col. c.

Total Massachusetts tangible property (from Schedule A, line 4)	1	16,118,662
Massachusetts real estate (from Schedule A, lines 1a and 1b)	2	9,133,477
Massachusetts motor vehicles and trailers (from Schedule A, line 1c)	3	408,233
Massachusetts machinery taxed locally. Classified manufacturers enter "0" (from Schedule A, line 1d)	4	,
Massachusetts leasehold improvements taxed locally (from Schedule A, line 1h)	5	39,695
Massachusetts tangible property taxed locally. Add lines 2 through 5 ▶	6	9,581,405
Massachusetts tangible property not taxed locally. Subtract line 6 from line 1	7	6,537,257
Total assets (from Schedule A, line 18)	8	39,285,489
Massachusetts tangible property taxed locally (from line 6 above)	9	9,581,405
Total assets not taxed locally. Subtract line 9 from line 8	10	29,704,084
Investments in subsidiaries at least 80% owned (from Schedule A, line 12a)	11	400,331
Assets subject to allocation. Subtract line 11 from line 10	12	29,303,753
Income apportionment percentage (from Schedule F, line 5)	13	.760200
Allocated assets. Multiply line 12 by line 13 ▶	14	22,276,713
Tangible property percentage. Divide line 7 by line 14	15	.293457

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Tangible Property Corporation

Complete only if Schedule B, line 15 is 10% or more. Enter all values as net book values from Schedule A, col. c.

Total Massachusetts tangible property (from Schedule A, line 4)	1	16,118,662
Exempt Massachusetts tangible property:		
a. Massachusetts real estate (from Schedule A, lines 1a and 1b)	2a	9,133,477
b. Massachusetts motor vehicles and trailers (from Schedule A, line 1c)	2b	408,233
c. Massachusetts machinery taxed locally. Classified manufacturers enter "0" (from Schedule A, line 1d)	2c	,
d. Massachusetts leasehold improvements taxed locally (from Schedule A, line 1h)	2d	39,695
e. Exempt goods (from Schedule A, line 2b)	2e	28,375
f. Certified Massachusetts industrial waste/air treatment facilities	2f	,
g. Certified Massachusetts solar or wind power deduction	2g	,
Total exempt Massachusetts tangible property. Add lines 2a through 2g	3	9,609,780
Taxable Massachusetts tangible property. Subtract line 3 from line 1. Do not enter less than "0." Enter result in line 1 of the Excise Calculation on page 2, and enter "0" in line 2 of the Excise Calculation	4	6,508,882

Intangible Property Corporation 20

Complete only if Schedule B, line 15 is less than 10%. Enter all values as net book values from Schedule A, col. c.

Total assets (from Schedule A, line 18)	1	,	,
Total liabilities (from Schedule A, line 26)	2	,	,
Massachusetts tangible property taxed locally (from Schedule B, line 6)	3	,	,
Mortgages on Massachusetts tangible property taxed locally (from Schedule A, line 19a)	4	,	,
Subtract line 4 from line 3. Do not enter less than "0"	5	,	,
Investments in subsidiaries at least 80% owned (from Schedule A, line 12a)	6	,	,
Deductions from total assets. Add lines 2, 5 and 6	7	,	,
Allocable net worth. Subtract line 7 from line 1. Do not enter less than "0"	8	,	,
Income apportionment percentage (from Schedule F, line 5)	9	•	
Taxable net worth. Multiply line 8 by line 9. Enter result in line 2 of the Excise Calculation on page 2, and enter "0" in line 1 of the Excise Calculation	10	,	,

Dividends Deduction

Total dividends. See instructions	1	,	28,000
Dividends from Massachusetts corporate trusts	2	,	,
Dividends from non-wholly-owned DISCs	3	,	,
Dividends, if less than 15% of voting stock owned	4	,	7,000
Dividends from RICs	5	,	,
Dividends from REITs	6	,	,
Total taxable dividends. Add lines 2 through 6	7	,	7,000
Dividends eligible for deduction. Subtract line 7 from line 1	8	,	21,000
Dividends deduction. Multiply line 8 by .95	9	,	19,950

DRAFT AS OF
JULY 30, 2008
(SUBJECT TO CHANGE)

CORPORATION NAME: MANUFACTURING CORP

FEDERAL IDENTIFICATION NUMBER: 041 111 111

Taxable Income

20

▼ If showing a loss, mark an X in box at left

1	Gross receipts or sales (from U.S. Form 1120, line 1c)	► 1	228,224,543
2	Gross profit (from U.S. Form 1120, line 3)	► 2	95,125,332
3	Other deductions (from U.S. Form 1120, line 26)	► 3	48,319,467
4	Net income (from U.S. Form 1120, line 28)	► 4	7,585,010
5	Allowable U.S. wage credit. See instructions	► 5	
6	Subtract line 5 from line 4	6	7,585,010
7	State and municipal bond interest not included in U.S. net income	► 7	2,500
8	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income	► 8	513,783
9	Section 168(k) "bonus" depreciation adjustment. See instructions	► 9 X	3,600
10	Section 31I and 31K intangible expense add back adjustment. See instructions	► 10	72,277
11	Section 31J and 31K interest expense add back adjustment. See instructions	► 11	27,863
12	Federal production activity add back adjustment. See instructions	► 12	5,000
13	Other adjustments, including research and development expenses. See instructions	► 13	104,930
14	Add lines 6 through 13	14	8,307,763
15	Abandoned building renovation deduction × .10 =	► 15	
16	Dividends deduction (from Schedule E-1, line 9)	► 16	19,950
17	Exception(s) to the add back of intangible expenses (enclose Schedule ABIE)	► 17	7,000
18	Exception(s) to the add back of interest expenses (enclose Schedule ABI)	► 18	450
19	Subtract the total of lines 15 through 18 from line 14	19	8,280,363
20	Loss carryover (from Schedule E-2, line 8 or line 13, whichever applies)	► 20	
21	Income subject to apportionment. Subtract line 20 from line 19	► 21	8,280,363
22	Income apportionment percentage (from Schedule F, line 5 or 1.0, whichever applies)	► 22	.760200
23	Multiply line 21 by line 22	23	6,294,732
24	Income not subject to apportionment	► 24	
25	Certified Massachusetts solar or wind power deduction and excess NOL deduction	► 25	
26	Massachusetts taxable income. Subtract line 25 from the total of lines 23 and 24	26	6,294,732

Corporate Disclosure 20

1	Charitable contributions (from U.S. Form 1120, line 19)	► 1	93,750
2	Federal research expense allowed under IRC section 174, plus research credit allowed under IRC section 41 (from U.S. Form 1120)	► 2	25167,521
3	Accelerated depreciation (ARCS, MARCS, etc.) allowed as a federal deduction:		
	a. Equipment	► 3a	109,320
	b. Rental housing	► 3b	
	c. Buildings other than rental housing	► 3c	24,483
	d. Pollution control facilities	► 3d	
4	Standard depreciation:		
	a. Equipment	► 4a	50,000
	b. Rental housing	► 4b	
	c. Buildings other than rental housing	► 4c	3500
	d. Pollution control facilities	► 4d	
5	Accelerated depreciation less standard depreciation:		
	a. Equipment. Subtract line 4a from line 3a. Not less than "0"	5a	59,320
	b. Rental housing. Subtract line 4b from line 3b. Not less than "0"	5b	
	c. Buildings other than rental housing. Subtract line 4c from line 3c. Not less than "0"	5c	20,983
	d. Pollution control facilities. Subtract line 4d from line 3d. Not less than "0"	5d	
6	Total amortizable costs for which amortization began in 2008 (from U.S. Schedule 4562, line 42, total of all entries in col. c)	► 6	7,500
7	Total of first year amortization expense for costs identified in line 6 (from U.S. Schedule 4562, line 42, total of all entries in col. f)	► 7	7,500
8	Total current year amortization expense for amortization of costs that began prior to 2008 (from U.S. Schedule 4562, line 43, col. f)	► 8	12,000

An exact copy of U.S. Form 1120 including all applicable schedules and forms and any other documentation required to substantiate entries made on this return, must be made available to the Department of Revenue upon request. See instructions.

FEDERAL IDENTIFICATION NUMBER

MANUFACTURING CORP 04 1 1 1 1 1 1 1

Other Corporate Credits 20

1	Economic Opportunity Area Credit (from Schedule H, part 4, line 26)	► 1	,228,462
2	3% credit for certain new or expanded investments (from Schedule H, part 4, line 13)	► 2	, 68,000
3	Vanpool Credit (from Schedule H, part 4, line 7)	► 3	, 12,000
4	Research Credit (from Schedule RC, part 2, line 14 or 24)	► 4	,300,205
5	Harbor Maintenance Tax Credit (from Schedule HM, line **18**)	► 5	, 7,500
6	Full Employment Credit (from Schedule FEC, line **25**)	► 6	, ,300
7	Brownfields Credit. Enter certificate number	► 7	, ,
8	Low-Income Housing Credit (enclose documentation)	► 8	, ,
9	Historic Rehabilitation Credit (enclose documentation)	► 9	, ,
10	Film Incentive Credit. Enter certificate number ►	► 10	, ,
11	Medical Device Credit. Enter certificate number ►	► 11	, ,
12	Total credits. Add lines 1 through 11	12	,616,467

CORPORATION NAME: MANUFACTURING CORP

FEIN: 041111111

Apportionment Report 20

Mutual fund service corporations, complete all lines of Form F-2. Section 38 manufacturers with more than 25 employees, complete only lines 1 through 17. All information should be reported as of the last day of the taxable year for both the current and previous tax years. Do not enter any amount less than "0."

Type of corporation. Fill in one oval:

Mutual fund service corporation ● Section 38 manufacturer

Apportionment Information

1 Number of employees (mutual fund service corporations must use the number of qualified employees):

a. Total number of persons employed in Massachusetts in 2007 (from 2007 Form F-2, line 1b) ▸ 1a 605

b. Total number of persons employed in Massachusetts in 2008 ▸ 1b 645

c. Total number of persons employed worldwide in 2007 (from 2007 Form F-2, line 1d) ▸ 1c 1,430

d. Total number of persons employed worldwide in 2008 ▸ 1d 1,500

2 Wages paid to employees (mutual fund service corporations must use the wages paid to qualified employees):

a. Total wages paid to qualified employees in Mass. in 2007 (from 2007 Schedule F, line 2a, col. a) ▸ 2a 22,915,221

b. Total wages paid to employees in Massachusetts in 2008 (from 2008 Schedule F, line 2a, col. a) ▸ 2b 29,055,395

c. Total wages paid to employees worldwide in 2007 (from 2007 Schedule F, line 2a, col. b) ▸ 2c 39,872,077

d. Total wages paid to employees worldwide in 2008 (from 2008 Schedule F, line 2a, col. b) ▸ 2d 50,542,900

3 Tangible property apportionment percentage:

a. 2007 percentage (from 2007 Schedule F, line 1d) ▸ 3a .153490

b. 2008 percentage (from 2008 Schedule F, line 1d) ▸ 3b .155640

4 Payroll apportionment percentage:

a. 2007 percentage (from 2007 Schedule F, line 2b) ▸ 4a .574344

b. 2008 percentage (from 2008 Schedule F, line 2b) ▸ 4b .574866

5 Tax reduction amount resulting from use of the more favorable apportionment formula ▸ 5 0

6 Sales:

a. 2007 Massachusetts sales (from 2007 Schedule F, line 3e, col. a) ▸ 6a 37,029,208

b. 2008 Massachusetts sales (from 2008 Schedule F, line 3e, col. a) ▸ 6b 173,496,277

c. 2007 worldwide sales (from 2007 Schedule F, line 3e, col. b) ▸ 6c 48,294,468

d. 2008 worldwide sales (from 2008 Schedule F, line 3e, col. b) ▸ 6d 228,224,573

7 Income:

a. 2007 Massachusetts income (from 2007 Schedule E or E-CG). Enter "0" if a loss ▸ 7a 4,197,797

b. 2008 Massachusetts income (from 2008 Schedule E or E-CG). Enter "0" if a loss ▸ 7b 6,310,716

c. 2007 worldwide income (from 2007 Schedule E or E-CG). Enter "0" if a loss ▸ 7c 5,645,823

d. 2008 worldwide income (from 2008 Schedule E or E-CG). Enter "0" if a loss ▸ 7d 7,585,010

8 Book value:

a. 2007 book value of plant, land and equipment in Massachusetts (from 2007 Form F-2, line 8b) ▸ 8a 2,957,839

b. 2008 book value of plant, land and equipment in Massachusetts (from 2008 Schedule A) ▸ 8b 3,508,916

c. 2007 book value of plant, land and equipment worldwide (from 2007 Form F-2, line 8d) ▸ 8c 5,149,943

d. 2008 book value of plant, land and equipment worldwide (from 2008 Schedule A) ▸ 8d 6,103,885

9 Net capital investments:

a. 2007 net capital investments in Massachusetts (from 2007 Form F-2, line 9b) ▸ 9a 400,331

b. 2008 net capital investments in Massachusetts (from 2008 Schedule A) ▸ 9b 400,331

c. 2007 net capital investments worldwide (from 2007 Form F-2, line 9d) ▸ 9c 400,331

d. 2008 net capital investments worldwide (from 2008 Schedule A) ▸ 9d 400,331

10 Net assets:

a. 2007 net assets (from 2007 Form F-2, line 10b) ▸ 10a 9,285,489

b. 2008 net assets (from 2008 Schedule A) ▸ 10b 2,3714,876

11 Capacity utilization:

a. 2007 capacity utilization (from 2007 Form F-2, line 11b) ▸ 11a .766400

b. 2008 capacity utilization. Divide maximum possible utilization by actual utilization ▸ 11b .834500

12 Outstanding loans:

a. 2007 total outstanding loans (from 2007 Form F-2, line 12b) ▸ 12a 377,726

b. 2008 total outstanding loans (from 2008 Schedule A) ▸ 12b 358840

13 Outstanding mortgages:

a. 2007 total outstanding mortgages (from 2007 Form F-2, line 13b) ▸ 13a 3,377,536

b. 2008 total outstanding mortgages (from 2008 Schedule A) ▸ 13b 2,2586,59

14 Base period employment level ▸ 14 1,200

15 Briefly describe any changes to the number of employees or the wages paid from 2007 to 2008: MORE EMPLOYEES HIRED TO HANDLE INCREASED ORDERS

16 Briefly describe any changes to the tangible property percentage from 2007 to 2008: PLANT INCREASED FOR INCREASED SALES VOLUME

17 Briefly describe any changes to the payroll apportionment percentage from 2007 to 2008: PAYROLL INCREASED DUE TO ADDITIONAL EMPLOYEES

Mutual fund service corporations, complete remainder of Form F-2.

18 Net assets under management:

a. Net assets under management in Massachusetts ▸ 18a 39,285,489

b. Net assets under management worldwide ▸ 18b 39,285,489

19 Median income of qualified employees:

a. Median income of qualified employees in Massachusetts ▸ 19a 46,489

b. Median income of qualified employees worldwide ▸ 19b 34,500

CORPORATE NAME: MANUFACTURING CORP

FEDERAL IDENTIFICATION NUMBER: 04 1 1 1 1 1 1 1

Income Apportionment 20

Fill in applicable oval(s):

- ● Section 38 manufacturer
- Mutual fund service corporation reporting sales of mutual funds only
- Mutual fund service corporation reporting sales of non-mutual funds
- Other
- Enclosing additional copies of Schedule F for additional members of a combined group

Business Locations Outside of Massachusetts

City and state	Specify whether factory, sales office, warehouse, construction site, etc.	Accepts orders	Registered to do business in state	Files returns in state
NEW YORK, NY	SALES OFFICE	●	●	●
TULSA, OK	FACTORY		●	●

Apportionment Factors

1 Tangible property:

a. Property owned (averaged) ..... ▸ Massachusetts 3,653,748 ▸ Worldwide 25,451,310

b. Property rented (capitalized) ..... ▸ Massachusetts 432,000 ▸ Worldwide 800,000

c. Total property owned and rented ..... Massachusetts 4,085,748 Worldwide 26,251,310

d. Tangible property apportionment percentage. Divide (from line 1c) Massachusetts total by worldwide total .... 1d .155640

2 Payroll:

a. Total payroll ..... ▸ Massachusetts 29,055,395 ▸ Worldwide 50,542,900

b. Payroll apportionment percentage. Divide (from line 2a) Massachusetts total payroll by worldwide total payroll 2b .574866

3 Sales:

a. Tangibles (Massachusetts destination) .... ▸ Massachusetts 23,000,000

b. Tangibles (Massachusetts throwback) .... ▸ Massachusetts 150,301,277 ▸ Worldwide 227,899,573

c. Services (including mutual fund sales) .... ▸ Massachusetts 25,000 ▸ Worldwide 100,000

d. Rents and royalties ..... ▸ Massachusetts 20,000 ▸ Worldwide 50,000

e. Other ..... ▸ Massachusetts 150,000 ▸ Worldwide 175,000

f. Total sales ..... Massachusetts 173,496,277 Worldwide 228,224,573

g. Sales apportionment percentage. Mutual fund corporations reporting mutual fund sales, divide (from line 3c) Massachusetts mutual fund sales by total mutual fund sales. All other corporations, including mutual fund service corporations reporting non-mutual fund sales, divide (from line 3f) Massachusetts total sales by worldwide total sales ..... 3g .760200

4 Apportionment percentage. All corporations must complete this line. Section 38 manufacturers or mutual fund service corporations reporting mutual fund sales, enter the amount from line 3g. All other corporations, including mutual fund service corporations reporting non-mutual fund sales, enter the total of (line 3g × 2) plus line 1d plus line 2b ..... 4 .760200

5 Massachusetts apportionment percentage. If the taxpayer is a Section 38 manufacturer, enter the amount from line 4 here and in Schedules E or E-CG, line 22. Mutual fund service corporations for mutual fund sales, enter the amount from line 4 here and in line 22 of the Schedules E or E-CG for mutual fund sales only. All other corporations including mutual fund service corporations reporting non-mutual fund sales, divide line 4 by 4, enter result here and in Schedules E or E-CG, line 22 (for mutual fund service corporations, the Schedules E or E-CG for non-mutual fund sales). See instructions ..... 5 .760200

CORPORATION NAME: MANUFACTURING CORP

FEDERAL IDENTIFICATION NUMBER: 04 1 1 1 1 1 1 1

Investment Tax Credit and Carryovers 20

Type of corporation. Fill in one oval:

● Classified manufacturer Agriculture Commercial fishing

Research and development (R&D). If R&D corporation, complete line 1.

Part 1. Calculation of Current-Year Investment Tax Credit Generated

1 Receipts test for R&D corporations. If a foreign R&D corporation, enter only receipts assignable to Massachusetts.

a. Total receipts	1a	
b. Receipts included in 1a from R&D	1b	
c. Percent of revenues derived from R&D. Divide line 1b by line 1a	1c	%
d. Describe R&D category		

2 List all qualified depreciable property (owned or leased) located in Massachusetts by Schedule A category.

a. Total cost of qualified buildings	2a	
b. Total cost of qualified machinery taxed locally	2b	
c. Total cost of qualified machinery not taxed locally	2c	700000
d. Total cost of qualified equipment	2d	15000
e. Total cost of qualified fixtures	2e	35000
f. Total cost of qualified leasehold improvements taxed locally	2f	
g. Total cost of qualified leasehold improvements not taxed locally	2g	50,000
h. Total cost of qualified other fixed depreciable assets	2h	
3 Total cost of eligible properties. Add lines 2a through 2h	3	800,000
4 Total U.S. investment tax credit and U.S. basis reduction	4	
5 Amount eligible for Massachusetts Investment Tax Credit (ITC). Subtract line 4 from line 3	5	800,000
6 Available current-year ITC. Multiply line 5 by .03	6	24000
7 Amount of credit reduction for assets placed in service during current year but no longer qualified at year end	7	
8 Net current year investment tax credit generated	8	24000

Part 2. Recapture of Unearned Credit

If the property on which the credit has been taken ceases to be in qualified use prior to the end of its useful life, the difference between the credit taken and the credit allowed for actual use is subject to recapture.

1	Total vanpool credit subject to recapture	► 1	
2	Vanpool credit not used to reduce the excise in any prior year		
a.	Amount of recapture offset against unused vanpool credit which have expired	2a	
b.	Amount of recapture reducing the vanpool credit carryover under Sec. 32C	2b	
3	Vanpool credit recaptured. Subtract the total of lines 2a and 2b from line 1	3	
4	Total ITC subject to recapture	► 4	25,000
5	ITC not used to reduce excise in any prior year		
a.	Amount of recapture offset against unused ITC which has expired	5a	2,000
b.	Amount of recapture on 2005 assets reducing ITC carryover from 2005	5b	7,000
c.	Amount of recapture on 2006 assets reducing ITC carryover from 2006	5c	
d.	Amount of recapture on 2007 assets reducing ITC carryover from 2007	5d	
e.	Amount of recapture reducing unused ITC converted to unlimited carryover status	5e	14,000
6	ITC recaptured. Subtract the total of lines 5a through line 5e from line 4	6	2000
7	Total EOAC subject to recapture	► 7	
8	EOAC not used to reduce excise in any prior year		
a.	Recapture offset against unused EOAC wh ch has expired	8a	
b.	Recapture on 1998 assets reducing EOAC carryover from 1998	8b	
c.	Recapture on 1999 assets reducing EOAC carryover from 1999	8c	
d.	Recapture on 2000 assets reducing EOAC carryover from 2000	8d	
e.	Recapture on 2001 assets reducing EOAC carryover from 2001	8e	
f.	Recapture on 2002 assets reducing EOAC carryover from 2002	8f	
g.	Recapture on 2003 assets reducing EOAC carryover from 2003	8g	
h.	Recapture on 2004 assets reducing EOAC carryover from 2004	8h	
i.	Recapture on 2005 assets reducing EOAC carryover from 2005	8i	
j.	Recapture on 2006 assets reducing EOAC carryover from 2006	8j	
k.	Recapture on 2007 assets reducing EOAC carryover from 2007	8k	
l.	Recapture reducing unused EOAC converted to unlimited carryover	8l	
9	EOAC recaptured. Subtract the total of lines 8a through line 8l from line 7	9	
10	Total tax recapture. Add lines 3, 6 and 9. Enter here and on the appropriate form	10	2,000

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Part 3. Calculation of Available Credits. **Perform recapture first.**

Reduce credits available from prior year returns by any amounts used to offset potential recapture as shown in Part 2.

1	Vanpool credit generated in 2008 (from Schedule VP)	► 1	12,000
2	Vanpool credit previously transferred to unlimited carryover status	► 2	
3	ITC generated in 2005 that will lapse in 2008 if not used	► 3	1,000
4	ITC generated in 2006 that will lapse in 2009 if not used	► 4	3000
5	ITC generated in 2007 that will lapse in 2010 if not used	► 5	40,000
6	ITC generated in 2008 that will lapse in 2011 if not used	► 6	24,000
7	ITC previously transferred to unlimited carryover status	► 7	170,000
8	EOAC generated in 1998 that will lapse in 2008 if not used	► 8	
9	EOAC generated in 1999 that will lapse in 2009 if not used	► 9	
10	EOAC generated in 2000 that will lapse in 2010 if not used	► 10	
11	EOAC generated in 2001 that will lapse in 2011 if not used	► 11	
12	EOAC generated in 2002 that will lapse in 2012 if not used	► 12	
13	EOAC generated in 2003 that will lapse in 2013 if not used	► 13	
14	EOAC generated in 2004 that will lapse in 2014 if not used	► 14	
15	EOAC generated in 2005 that will lapse in 2015 if not used	► 15	2,000
16	EOAC generated in 2006 that will lapse in 2016 if not used	► 16	5,000
17	EOAC generated in 2007 that will lapse in 2017 if not used	► 17	55,000
18	EOAC generated in 2008 that will lapse in 2018 if not used	► 18	175,000
19	EOAC previously transferred to unlimited carryover status	► 19	65,000

Part 4. Credits Used in 2008. Determination of maximum allowable credits.

1	Total excise before credits for this corporation (from Form 355, line 5, Form 355S, line 8 or Form 355C, Schedule E-CG, line 29)	616,923
2	Dollar limitation credits subject to 50% limitation	308,462
3	Other credits taken. See instructions	
4	Maximum amount of allowable Schedule H credits	308,462
5	Vanpool credit generated this year	12,000
6	Vanpool credits previously transferred to unlimited carryover status and used this year	
7	Total vanpool credits used in 2008. Add lines 5 and 6	12,000
8	ITC generated in 2005	1,000
9	ITC generated in 2006	3,000
10	ITC generated in 2007	40,000
11	ITC generated in current year	24,000
12	ITC credit previously transferred to unlimited carryover status and used this year	
13	Total ITC used in 2008. Add lines 8 through 12	68,000
14	EOAC generated in 1998	
15	EOAC generated in 1999	
16	EOAC generated in 2000	
17	EOAC generated in 2001	
18	EOAC generated in 2002	
19	EOAC generated in 2003	
20	EOAC generated in 2004	
21	EOAC generated in 2005	2,000
22	EOAC generated in 2006	5,000
23	EOAC generated in 2007	55,000
24	EOAC generated in 2008	166,462
25	EOAC previously transferred to unlimited carryover status and used this year	
26	Total EOAC used in 2008. Add lines 14 through 25. Enter here and in Schedule CR	228,462

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Part 5. Credits Converted to Unlimited Carryforward Status This Year

1	Current-year vanpool credit converted to unlimited carryover this year	1	, .
2	ITC generated in 2005 converted to unlimited carryover this year	2	, .
3	ITC generated in 2006 converted to unlimited carryover this year	3	, .
4	ITC generated in 2007 converted to unlimited carryover this year	4	, .
5	ITC generated in 2008 converted to unlimited carryover this year	5	, .
6	EOAC generated in 1998 converted to unlimited carryover this year	6	, .
7	EOAC generated in 1999 converted to unlimited carryover this year	7	, .
8	EOAC generated in 2000 converted to unlimited carryover this year	8	, .
9	EOAC generated in 2001 converted to unlimited carryover this year	9	, .
10	EOAC generated in 2002 converted to unlimited carryover this year	10	, .
11	EOAC generated in 2003 converted to unlimited carryover this year	11	, .
12	EOAC generated in 2004 converted to unlimited carryover this year	12	, .
13	EOAC generated in 2005 converted to unlimited carryover this year	13	, .
14	EOAC generated in 2006 converted to unlimited carryover this year	14	, .
15	EOAC generated in 2007 converted to unlimited carryover this year	15	, .
16	EOAC generated in 2008 converted to unlimited carryover this year	16	, . 8538
17	Total credits converted to unlimited carryover status	17	, . 8538

Part 6. Credits Available for Future Use

1	Vanpool credit available for unlimited carryover	1	,
2	ITC generated in 2006 that will expire in 2009	2	,
3	ITC generated in 2007 that will expire in 2010	3	,
4	ITC generated in 2008 that will expire in 2011	4	,
5	ITC not subject to expiration	5	170,000
6	EOAC generated in 1999 that will expire in 2009	6	,
7	EOAC generated in 2000 that will expire in 2010	7	,
8	EOAC generated in 2001 that will expire in 2011	8	,
9	EOAC generated in 2002 that will expire in 2012	9	,
10	EOAC generated in 2003 that will expire in 2013	10	,
11	EOAC generated in 2004 that will expire in 2014	11	,
12	EOAC generated in 2005 that will expire in 2015	12	,
13	EOAC generated in 2006 that will expire in 2016	13	,
14	EOAC generated in 2007 that will expire in 2017	14	,
15	EOAC generated in 2008 that will expire in 2018	15	,
16	EOAC not subject to expiration	16	73,538
17	Total vanpool, ITC and EOAC carryover ▸	17	243,538

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Part 7. Reconciliation of Massachusetts Tangible Property

1	Capital assets in Massachusetts at the beginning of the year at net book value	
	a. Property with a depreciable life for tax purposes of less than four years ... 1a	
	b. Land, motor vehicles, construction in process and other non-qualified assets ... 1b	6291,983
	c. Qualifying property ... 1c	4,492,622
	d. Total capital assets in Massachusetts at the beginning of tax year. Add lines 1a through 1c. Enclose explanation if this does not equal prior year Schedule A, line 1I ... 1d	10,784,605
2	Purchases and leases made during the tax year at cost	
	a. Property with a depreciable life for tax purposes of less than four years ... 2a	
	b. Land, motor vehicles, construction in process and other non-qualified assets ... 2b	1,105,645
	c. Qualifying property ... 2c	4,300,000
	d. Total purchases and leases made during tax year. Add lines 2a through 2c ... 2d	5405645
3	Other acquisitions made during the year	
	a. Property with a depreciable life for tax purposes of less than four years ... 3a	
	b. Land, motor vehicles, construction in process and other non-qualified assets ... 3b	
	c. Qualifying property ... 3c	
	d. Total of other acquisitions made during the tax year. Add lines 3a through 3c ... 3d	
4	Sales, exchanges and retirements made during year at net book value. Include current year depreciation	
	a. Property with a depreciable life for tax purposes of less than four years ... 4a	
	b. Land, motor vehicles, construction in process and other non-qualified assets ... 4b	10,000
	c. Qualifying property ... 4c	250,000
	d. Total sales, exchanges and retirements made during the tax year. Add lines 4a through 4c ... ▸ 4d	260000
5	Book depreciation taken during the year Apply to line 7b in Full ... 5	59000
6	Other adjustments made during the year including interstate transfers of depreciable assets, etc ... 6	
7	Capital assets in Massachusetts at the end of the year at net book value	
	a. Property with a depreciable life for tax purposes of less than four years ... 7a	
	b. Land, motor vehicles, construction in process and other non-qualified assets ... 7b	7,330,628
	c. Qualifying property ... 7c	8,542,622
	d. Total capital assets in Massachusetts at the end of the tax year. Add lines 7a through 7c. Enclose explanation if this figure does not match the current year Schedule A, line 1L ... 7d	15,873,250

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Ovals must be filled in completely. Example: ●

Research Credit 20

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Controlled groups and entities under common control are required to compute the credit on an aggregate basis. Refer to Regulation 830 CMR 63.38M.1(7). Enclose Schedule RC to the return of each member of the group claiming Massachusetts basic research payments, qualified research expenses, research credit carryfoward or research credit against the excise. Enter group totals in lines 2 through 4 and 11 through 15. Corporations that are not members of a controlled group must enter their individual amounts in these lines.

Fill in all applicable oval(s):

- ► ● Massachusetts gross receipts are being used to compute the fixed base and average annual receipts.
  Federal gross receipts are being used to compute the fixed base and average annual receipts.
- ► Corporation is electing to calculate the credit separately for qualified defense-related activities. If making this election, file two schedule RCs and fill in one of the following ovals: Defense-related activites Other qualified activities

Part 1. Massachusetts Research Credit Generated

1	Basic research payments made by this corporation	1	, ,
2	Total group basic research payments	2	, ,
3	Group base period amount	3	, ,
4	Group incremental research payments. Subtract line 3 from line 2	4	, ,
5	Total group credit for basic research payments. Multiply line 4 by .15	5	, ,
6	Qualified wage expenses for this corporation	► 6	4,358,309
7	Qualified supply expenses for this corporation	► 7	296,727
8	Qualified computer rental time expenses for this corporation	► 8	3,544
9	65% of qualified contract expenses for this corporation	► 9	11,250
10	Total qualified research expenses for this corporation. Add lines 6 through 9	10	4,669,830
11	Total group qualified research expenses	11	4,669,830
12	Group fixed base percentage. Not more than 16%. See instructions	12	.030000
13	Group average annual receipts. See instructions	13	120,684,497
14	Group base amount. Not less than 50% of line 10	14	3,620,535
15	Group incremental research expenses. Subtract line 14 from line 11	15	1,049,295
16	Total group credit for qualified expenses. Multiply line 15 by .10	16	104,930
17	Total basic research payments and qualified expenses for this corporation. Add lines 1 and 10	17	4,669,830
18	Total basic research payments and qualified expenses for the group. Add lines 2 and 11	18	4,669,830
19	Allocation percentage for this corporation. Divide line 17 by line 18	19	1.000000
20	Total group research credit generated. Add lines 5 and 16	20	104,930
21	Total credit generated by this corporation in current year. Multiply line 19 by line 20. See instructions	► 21	104,930

Part 2. Massachusetts Research Credit Used

The amount of the credit that may be used to reduce the excise is limited to 100% of the corporation's first $25,000 of corporate excise liability plus 75% of the corporation's excise liability over $25,000. A single $25,000 amount applies to all members of an aggregate group, even if not filing as Massachusetts combined group. Corporations that are not members of an aggregate group should enter the amount in line 1 in line 2 and 100% in line 3.

1	Total excise before credits for this corporation (from form 355, line 5, Form 355S, line 8 or Form 355C, Schedule E-CG, line 29)	1	616,923
2	Total group excise before credit. See instructions	2	616,923
3	Allocation percentage for the $25,000 excise bracket	3	1.000000
4	Corporation's share of excise not subject to the 75% limitation	4	25,000
5	Corporation's excise subject to the 75% limitation. Subtract line 4 from line 1	5	591,923
6	75% of excise subject to limitation	6	443,942
7	Corporation's subtotal of excise within the limitation. Add lines 4 and 6	7	468,942
8	Total of other credits applied against this corporation's excise this year	8	316,262
9	Maximum allowable research credit if available. See instructions	9	300,205
10	Corporation's own 15-year carryover credit from prior years	10	150,000
11	Corporation's own unlimited credit from prior years	11	50,000
12	Corporation's own credit generated in current year	12	104,930
13	Corporation's own total research credit available for 2008	► 13	304,930
14	Amount of corporation's credit used against its own excise	14	300,205
15	Amount of corporation's credit used by affiliates. See instructions	15	0
16	Total of corporation's credit used this year. Add lines 14 and 15	16	300205
17	Time-limited credit converted to unlimited carryover status. See instructions	17	147,981
18	Total of 15-year carryover credit which expired	18	
19	Total of corporation's credit available for carryover to 2009. See instructions	19	4,725
20	Unlimited status credit available for carryforward to 2009. See instructions	20	4,725
21	15-year status credit available for carryforward to 2009. See instructions	21	

Sharing the Credit. Massachusetts Combined Groups Only

A corporation filing as a member of a Massachusetts combined group which has credits available that it cannot use due to various limitations may share its available credits with other members of the combined group that have not used their own maximum allowable research credit. See instructions.

22	Corporation's separate unused limitation. Subtract line 13 from line 9	22	
23	Contributions from affiliates. Enclose schedule. See instructions	23	
24	Total research credit used by this corporation. Add lines 14 and 23	24	

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Part 3. Reconciliation of Research Credit Carryover

		a. Available credits at start of year	b. Credits used in current year	c. Credits converted to unlimited status	d. Available credits at end of year
1	Credit generated in 1993	,	,	,	,
2	Credit generated in 1994	,	,	,	,
3	Credit generated in 1995	,	,	,	,
4	Credit generated in 1996	,	,	,	,
5	Credit generated in 1997	,	,	,	,
6	Credit generated in 1998	,	,	,	,
7	Credit generated in 1999	1,000	1,000	,	,
8	Credit generated in 2000	2,000	2,000	,	,
9	Credit generated in 2001	3,000	3,000	,	,
10	Credit generated in 2002	4,000	4,000	,	,
11	Credit generated in 2003	5,000	5,000	,	,
12	Credit generated in 2004	10,000	10,000	,	,
13	Credit generated in 2005	20,000	20,000	,	,
14	Credit generated in 2006	30,000	30,000	,	,
15	Credit generated in 2007	75,000	75,000	,	,
16	Credits generated this year	104,930	104,930	,	,
17	Credits available for unlimited carryforward	50,000	45,275	,	4,725
18	Corporation's own 15-year carryforward from prior years. Add lines 1 through 15, col. a.				150,000
19	Total of corporation's credits used. Add lines 1 through 17, col. b				300205
20	Total credits converted to unlimited status. Add lines 1 through 16, col. c.			,	,
21	Unlimited life credits available for carryforward to 2009			,	4,725
22	Credits available for carryforward to 2009 subject to 15-year limitation. Add lines 2 through 16, col. d			,	,