

**Combined Reporting Instructions
2011 Schedule U-RF Instructions
Refundable Credits**

Header for Schedule U-RF

For each Schedule U-RF filed, enter the name of the taxable member (as shown on the federal income tax return, if filed), its Federal Identification number and the beginning and ending dates of the combined group's taxable year.

Check one box to indicate whether the financial institution excise, the utility corporation excise or the business corporation excise applies. S corporations taxable under M.G.L. Ch. 63, sec. 2B are considered financial institutions. S corporations taxable under M.G.L. Ch. 63, sec. 32D are considered business corporations.

Enter the end date of the group's year end.

Enter the name and Federal Identification number of the principal reporting corporation.

Line Instructions for Schedule U-RF

Line 1. Schedule RFC, Refundable Film Credit, is used by motion picture production companies to elect to claim a refundable film credit if they have not transferred or carried forward a portion of the film credit for the production. Transferees of the film credit do not qualify for the refundable film credit.

If an election to refund the film credit for a production is made, the entire film credit remaining after reducing the current year tax liability will be refunded at 90%. The production company is not allowed to partially refund and partially transfer or carryover over any portion of the credit to the next tax year.

Schedule RFC must be submitted with this return to support the claim for this credit.

Line 2. A taxpayer who holds a certificate of registration as a dairy farmer pursuant to M.G.L. Ch. 94, sec. 16A is allowed a refundable tax credit based on the amount of milk produced and sold. Under recent legislation, the dairy farmer tax credit is now 100% refundable.

Enter the Department of Agricultural Resources-issued certificate number in the space provided on line 2 of Schedule RF. Failure to do so will result in this credit being disallowed. Be sure to omit hyphens, spaces, decimals and other special symbols.

Also, enter the number from left to right.

Line 3. Under the provisions of the Economic Development Incentive Program (EDIP) established pursuant to M.G.L. Ch. 23A, the Economic Assistance Coordination Council (EACC) may authorize taxpayers participating in certified projects to claim tax credits under M.G.L. Ch. 62 sec. 6(g) and M.G.L. Ch. 63 sec. 38N. Taxpayers authorized by the EACC to claim tax credits for projects certified on or after January 1, 2010 must also submit Form EDIP, Refundable Economic Development Incentive Program Credit, to support the claim for this credit.

Line 4. There are different credits which the Massachusetts Life Sciences Center, with the approval of the Secretary of Administration and Finance, may authorize a taxpayer to have refunded in lieu of carrying forward such credit to a future year.

A taxpayer may apply for a refund of 90% of the unused Investment Tax Credit granted under M.G.L. Ch. 63, sec. 38U or the additional credit on the same property that may be granted under M.G.L. Ch. 63, sec. 38N if property for which the 38U credit is granted is used in a certified project.

A taxpayer may apply for a refund of 90% of the unused FDA User Fee Credit granted under M.G.L. Ch. 63, sec. 38M, including credits carried over from prior years. Schedule RLC, Refundable Life Science Credit, must be submitted by taxpayers to support the claim for this credit.

Line 5. Effective for tax years beginning on or after January 1, 2011, a credit is allowed for qualified donations of certified land to a public or private conservation agency. The credit is equal to 50% of the fair market value of the qualified donation. The amount of the credit that may be claimed by a taxpayer for each qualified donation cannot exceed \$50,000. The credit is refundable but not transferable. The certification process is conducted by the Executive Office of Energy and Environmental Affairs (EEA). EEA has promulgated a regulation, 301 CMR 14.00, entitled Conservation Land Tax Credit, which sets forth criteria for authorizing and certifying the credit. See also, 830 CMR 62.6.4, entitled Conservation Land Tax Credit, promulgated by DOR to explain the calculation of the allowable credit.

Enter in line 5 the amount of the refundable conservation land tax credit. Also, be sure to enter the DOR-issued certificate number in the space provided.

Line 6. Combine lines 1 through 5. Enter here and on Schedule U-ST, line 43