AREA RESERVED
FOR 2-D BARCODE

2016 Schedule RC

XXXXXXXXXXXXX

Research Credit

CORPORATIONNAMEXXXXXXXXXXXXXXXXX FEDERALIDNO

Check if:

- ► X Taxpayer is electing to calculate the credit separately for defense-related activities
- ► X Taxpayer is electing to calculate the credit under the alternate simplified method provided in G.L. c. 63, s. 38M(b)
- ► X Taxpayer is electing to calculate the credit for qualified research expenses using Massachusetts gross receipts

Part 1. Qualified Research Expenses

1.	Qualified wage expenses for this corporation	1	XXXXXXXXXXXX
2.	Qualified supply expenses for this corporation	2	XXXXXXXXXXXX
3.	Qualified computer rental time expenses for this corporation	3	XXXXXXXXXXXX
4.	Enter 65% of qualified contract expenses for this corporation	4	XXXXXXXXXXXX
5.	Total qualified research expenses for this corporation. Add lines 1 through 4	► 5	XXXXXXXXXXXX
6.	Total qualified research expenses for the aggregated group	► 6	XXXXXXXXXXXX

Part 2. Credit determined under c. 63, s. 38M(b), the Alternate Simplified Method

X Check If using the Alternative Simplified Method and you did not have qualified research expenses in each of the three prior years.

7.	Average qualified research expenses for the 3 most recent prior years	7	XXXXXXXXXXXX
8.	Enter 50% of line 7	8	XXXXXXXXXXXX
9.	Subtract the amount on line 8 from current year expenses on line 6. Not less than “0”	9	XXXXXXXXXXXX
10.	Applicable rate for the Alternate Simplified Method	10	X.XXXXXX
11.	Total credit for the group. If the taxpayer did not have qualified research expenses in each of the three prior years, enter 5% of the amount on line 6; otherwise, multiply line 9 by line 10	11	XXXXXXXXXXXX
12.	Percentage of aggregated group credit attributable to this corporation. Line 5 divided by line 6	12	X.XXXXXX
13.	Amount of group credit for this corporation. Multiply line 11 by line 12	► 13	XXXXXXXXXXXX

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XXXXXXXXXXXXX

Research Credit
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Part 3. Credit determined under c. 63, s. 38M(a)

14.	Fixed-base ratio	**14**	X.XXXXXX
15.	Average annual gross receipts from the 4 most recent taxable years	**15**	XXXXXXXXXXXX
16.	Base amount. Multiply line 14 by line 15. Not less than 50% of line 6	**16**	XXXXXXXXXXXX
17.	Subtract line 16 from current year expenses on line 6. Not less than “0”	**17**	XXXXXXXXXXXX
18.	Total group credit for qualified research expenses. Multiply line 17 by 10%	**18**	XXXXXXXXXXXX
19.	Total group credit for basic research payments	**19**	XXXXXXXXXXXX
20.	Total Research Credit for the aggregated group. Combine lines 18 and 19	**20**	XXXXXXXXXXXX
21.	Percentage of aggregated group credit attributable to this corporation. Line 5 divided by line 6	**21**	X.XXXXXX
22.	Amount of credit for this corporation. Multiply line 20 by line 21	► **22**	XXXXXXXXXXXX

Part 4. 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 23 in line 24 and 100% in line 25.

23.	Total excise before credits for this corporation (from form 355, line 6, Form 355S, line 9 or Schedule U-ST, line 37)	**23**	XXXXXXXXXXX
24.	Total group excise before credit. See instructions	**24**	XXXXXXXXXXX
25.	Allocation percentage for the $25,000 excise bracket	**25**	X.XXXXXX
26.	Corporation’s share of excise not subject to the 75% limitation (line 25 percentage × $25,000, but not more than line 23)	**26**	XXXXXXXXXXX
27.	Corporation’s excise subject to the 75% limitation. Subtract line 26 from line 23	**27**	XXXXXXXXXXX
28.	75% of excise subject to limitation	**28**	XXXXXXXXXXX
29.	Corporation’s subtotal of excise within the limitation. Add lines 26 and 28	**29**	XXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX