



PRINT IN BLACK INK

FOR PRIVACY ACT NOTICE,  
SEE INSTRUCTIONS.

Calendar year filers enter 01-01-2015 and 12-31-2015 below. Fiscal year filers enter appropriate dates.

Tax year beginning ▶

01012015

Tax year ending ▶

12312015

**Form 355 Business/Manufacturing Corporation Excise Return 2015**

NAME OF CORPORATION

FEDERAL IDENTIFICATION NUMBER (FID)

TEST TWO CORP

041111111

PRINCIPAL BUSINESS ADDRESS

CITY/TOWN/POST OFFICE

STATE ZIP + 4

2 FACTORY ST

CHELSEA

MA 02150 6371

PRINCIPAL BUSINESS ADDRESS IN MASSACHUSETTS (IF DIFFERENT)

CITY/TOWN/POST OFFICE

STATE ZIP + 4

Fill in if:

Amended return (see "Amended Return" in instructions) ▶

☐ Federal amendment ▶☐ Federal audit ▶

- 1 Fill in if corporation is incorporated within Massachusetts ..... ▶ ☐
- 2 Type of corporation (select one, if applicable) ..... ▶ ☒ Section 38 manufacturer ☐ Mutual fund service
- 3 Type of corporation (select one, if applicable) ..... ▶ ☐ R&D ☒ Classified mfg ☐ RIC ☐ REIT
- 4 Fill in if corporation is filing a Massachusetts unitary return (see instructions) ..... ▶ ☐
- 5 Fill in if answer to question 4 is Yes and corporation's tax year ends in a different month than the 355U ..... ▶ ☐
- 6 Fill in if corporation is an insurance mutual holding corporation ..... ▶ ☐
- 7 Fill in if corporation is requesting alternative apportionment (enclose Form AA-1) ..... ▶ ☐
- 8 Fill in if this is a final Massachusetts return. See instructions ..... ▶ ☐
- 9 Principal business code (from U.S. return) ..... ▶ 9 315230
- 10 FID of principal reporting corporation (if answer to line 4 is Yes) ..... ▶ 10
- 11 Average number of employees in Massachusetts ..... 11 625
- 12 Average number of employees worldwide ..... 12 1465
- 13 Foreign corporation: first date of business in Massachusetts ..... 13 07221987
- 14 Last year audited by IRS ..... ▶ 14 1998
- 15 Fill in if adjustments have been reported to Massachusetts ..... ☒
- 16 Fill in if corporation is deducting intangible or interest expenses paid to a related entity ..... ▶ ☒
- 17 Fill in if taxpayer is enclosing a Taxpayer Disclosure Statement ..... ▶ ☐
- 18 Fill in if taxpayer is claiming exemption from the income measure of the excise pursuant to PL 86-272 ..... ▶ ☐

**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

DAVID DANFORD

01/20/2016

Richard Richie

123 456 789

Title

Date

Paid preparer's phone

Paid preparer's

/ /

(619) 622 2222

EIN

987 654 321

Are you signing as an authorized delegate of the appropriate

Paid preparer's signature

Date ☐ Fill in if self-employedcorporate officer? ☒ (enclose Form M-2848) ☐ No

Richard Richie

01/20/2016

Taxpayer's e-mail address

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





041 111 111

1	Taxable Massachusetts tangible property, if applicable (from Schedule C, line 4) . . . . .	▶	6508882	× .0026 =	▶	1	16923
2	Taxable net worth, if applicable (from Schedule D, line 10) . . . . .	▶		× .0026 =	▶	2	
3	Massachusetts taxable income (from Schedule E, line 27). Not less than "0" . . . . .	▶	6294732	× .0800 =	▶	3	503579
4	Credit recapture (enclose Credit Recapture Schedule). See instructions. . . . .	▶				4	2000
5	Additional tax on installment sales . . . . .	▶				5	94421
6	Excise before credits. Add line 1 or 2, whichever applies, to total of lines 3 through 5 . . . . .	▶				6	616923
7	Total credits (from Credit Manager Schedule; unitary filers, see instructions) . . . . .	▶				7	616467
8	Excise after credits. Subtract line 7 from line 6 . . . . .	▶				8	456
9	Combined filers only, enter the amount of tax from Schedule U-ST, line 41 . . . . .	▶				9	
10	Minimum excise (cannot be prorated; unitary filers, see instructions) . . . . .	▶				10	456
11	Excise due before voluntary contribution. (line 8 or 10, whichever is greater) . . . . .	▶				11	456
12	Voluntary contribution for endangered wildlife conservation. . . . .	▶				12	100
13	Excise due plus voluntary contribution. Add lines 11 and 12 . . . . .	▶				13	556
14	2014 overpayment applied to your 2015 estimated tax . . . . .	▶				14	1000
15	2015 Massachusetts estimated tax payments (do not include amount in line 14) . . . . .	▶				15	10000
16	Payment made with extension . . . . .	▶				16	100
17	Pass-through entity withholding (from Schedule 3K-1) Payer ID number ▶ 041-21-1111 . . . . .	▶				17	2500
18	Total refundable credits (from Credit Manager Schedule) . . . . .	▶				18	1500
19	Total payments. Add lines 14 through 18. . . . .	▶				19	15100
20	Amount overpaid. Subtract line 13 from line 19 . . . . .	▶				20	14544
21	Amount overpaid to be credited to 2016 estimated tax . . . . .	▶				21	13544
22	Amount overpaid to be refunded. Subtract line 21 from line 20 . . . . . Refund ▶	▶				22	1000
23	Balance due. Subtract line 19 from line 13. . . . . Balance due ▶	▶				23	
24	a. M-2220 penalty ▶ <input type="text"/> b. Late file/pay penalties <input type="text"/> . . . . . a + b =	▶				24	
25	Interest on unpaid balance . . . . .	▶				25	
26	Payment due at time of filing. See instructions . . . . . Total due ▶	▶				26	





CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

TEST TWO CORP

041-11-1111

## Schedule A Balance Sheet

2015

ASSETS		A. ORIGINAL COST	B. ACCUMULATED DEPRECIATION AND AMORTIZATION	C. NET BOOK VALUE
<b>1</b>	Capital assets in Massachusetts:			
a.	Buildings ..... ▶ 1a	4848956	2099229	2749727
b.	Land ..... ▶ 1b	6383750		6383750
c.	Motor vehicles and trailers .... ▶ 1c	1039333	631100	408233
d.	Machinery taxed locally ..... ▶ 1d			
e.	Machinery <b>not</b> taxed locally ..... 1e	6473155	1150009	5323146
f.	Equipment ..... 1f	65366	13073	52293
g.	Fixtures ..... 1g	95600	27314	68286
h.	Leasehold improvements taxed locally ..... ▶ 1h	58375	18680	39695
i.	Leasehold improvements <b>not</b> taxed locally ..... 1i	282375	37650	244725
j.	Other fixed depreciable assets .... 1j	18750	6000	12750
k.	Construction in progress ..... 1k	590645		590645
	l. Total capital assets in Massachusetts ..... ▶ 1l			15873250
<b>2</b>	Inventories in Massachusetts:			
a.	General merchandise ..... 2a			207364
b.	Exempt goods ..... ▶ 2b			28375
<b>3</b>	Supplies and other non-depreciable assets in Massachusetts ..... 3			9673
<b>4</b>	Total tangible assets in Massachusetts ..... ▶ 4			16118662
<b>5</b>	Capital assets outside of Massachusetts:			
a.	Buildings and other depreciable assets ..... 5a	5567481	261542	5305939
b.	Land ..... 5b	1578700		1578700
<b>6</b>	Leaseholds/leasehold improvements outside Massachusetts ..... 6	624965	342224	282741
<b>7</b>	Total capital assets outside Massachusetts ..... ▶ 7	7771146	603766	7167380

BE SURE TO CONTINUE SCHEDULE A ON OTHER SIDE





8	Inventories outside Massachusetts .....	8	399843
9	Supplies and other non-depreciable assets outside Massachusetts .....	9	28991
10	Total tangible assets outside of Massachusetts .....	10	7596214
11	Total tangible assets. Add lines 4 and 10 .....	11	23714876
12	Investments (capital stock investments and equity contributions only):		
a.	Investments in subsidiary corporations at least 80% owned .....	12a	400331
b.	Other investments .....	12b	
13	Notes receivable .....	13	1953618
14	Accounts receivable .....	14	6564937
15	Intercompany receivables .....	15	17500
16	Cash .....	16	6365508
17	Other assets .....	17	268719
18	Total assets .....	18	39285489

**LIABILITIES AND CAPITAL**

19	Mortgages on:		
a.	Massachusetts tangible property taxed locally .....	19a	1710791
b.	Other tangible assets .....	19b	547868
20	Bonds and other funded debt .....	20	356250
21	Accounts payable .....	21	3404856
22	Intercompany payables .....	22	500000
23	Notes payable .....	23	358840
24	Miscellaneous current liabilities .....	24	619500
25	Miscellaneous accrued liabilities .....	25	227474
26	Total liabilities .....	26	7725579
27	Total capital stock issued .....	27	4488750
28	Paid-in or capital surplus .....	28	9536250
▼ If a loss, mark an X in box at left			
29	Retained earnings and surplus reserves .....	29	17928600
30	Undistributed S corporation net income .....	30	
31	Total capital. Add lines 27 through 30 .....	31	31953600
32	Treasury stock .....	32	393750
33	Total liabilities and capital. Do not enter less than "0" .....	33	39285429



CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

TEST TWO CORP

041111111

**Schedule B** Tangible or Intangible Property Corporation Classification**2015**

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

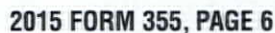
<b>1</b>	Total Massachusetts tangible property (from Schedule A, line 4) .....	1	16118662
<b>2</b>	Massachusetts real estate (from Schedule A, lines 1a and 1b) .....	2	9133477
<b>3</b>	Massachusetts motor vehicles and trailers (from Schedule A, line 1c) .....	3	408233
<b>4</b>	Massachusetts machinery taxed locally. Classified manufacturers enter "0" (from Schedule A, line 1d) .....	4	
<b>5</b>	Massachusetts leasehold improvements taxed locally (from Schedule A, line 1h) .....	5	39695
<b>6</b>	Massachusetts tangible property taxed locally. Add lines 2 through 5 .....	6	9581405
<b>7</b>	Massachusetts tangible property not taxed locally. Subtract line 6 from line 1 .....	7	6537257
<b>8</b>	Total assets (from Schedule A, line 18) .....	8	39285489
<b>9</b>	Massachusetts tangible property taxed locally (from line 6 above) .....	9	9581405
<b>10</b>	Total assets not taxed locally. Subtract line 9 from line 8 .....	10	29704084
<b>11</b>	Investments in subsidiaries at least 80% owned (from Schedule A, line 12a) .....	11	400331
<b>12</b>	Assets subject to allocation. Subtract line 11 from line 10 .....	12	29303753
<b>13</b>	Income apportionment percentage (from Schedule F, line 5) .....	13	0760200
<b>14</b>	Allocated assets. Multiply line 12 by line 13 .....	14	22276713
<b>15</b>	Tangible property percentage. Divide line 7 by line 14 .....	15	0293457

**Schedule C** Tangible Property Corporation

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

<b>1</b>	Total Massachusetts tangible property (from Schedule A, line 4) .....	1	16118662
<b>2</b>	Exempt Massachusetts tangible property:		
<b>a.</b>	Massachusetts real estate (from Schedule A, lines 1a and 1b) .....	2a	9133477
<b>b.</b>	Massachusetts motor vehicles and trailers (from Schedule A, line 1c) .....	2b	408233
<b>c.</b>	Massachusetts machinery taxed locally. Classified manufacturers enter "0" (from Schedule A, line 1d) ..	2c	
<b>d.</b>	Massachusetts leasehold improvements taxed locally (from Schedule A, line 1h) .....	2d	39695
<b>e.</b>	Exempt goods (from Schedule A, line 2b) .....	2e	28375
<b>f.</b>	Certified Massachusetts industrial waste/air treatment facilities .....	2f	
<b>g.</b>	Certified Massachusetts solar or wind power deduction .....	2g	
<b>3</b>	Total exempt Massachusetts tangible property. Add lines 2a through 2g .....	3	9609780
<b>4</b>	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	6508882





CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

## TEST TWO CORP

0 4 1 1 1 1 1 1

**Schedule D** Intangible Property Corporation

2015

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

- |           |   |    |  |  |  |  |  |  |  |
|-----------|---|----|--|--|--|--|--|--|--|
| <b>1</b>  | Total assets (from Schedule A, line 18) .....   | 1  |  |  |  |  |  |  |  |
| <b>2</b>  | Total liabilities (from Schedule A, line 26) .....  | 2  |  |  |  |  |  |  |  |
| <b>3</b>  | Massachusetts tangible property taxed locally (from Schedule B, line 6) .....   | 3  |  |  |  |  |  |  |  |
| <b>4</b>  | Mortgages on Massachusetts tangible property taxed locally (from Schedule A, line 19a) .....  | 4  |  |  |  |  |  |  |  |
| <b>5</b>  | Subtract line 4 from line 3. Do not enter less than "0" .....   | 5  |  |  |  |  |  |  |  |
| <b>6</b>  | Investments in subsidiaries at least 80% owned (from Schedule A, line 12a) .....  | 6  |  |  |  |  |  |  |  |
| <b>7</b>  | Deductions from total assets. Add lines 2, 5 and 6 .....  | 7  |  |  |  |  |  |  |  |
| <b>8</b>  | Allocable net worth. Subtract line 7 from line 1. Do not enter less than "0" .....  | 8  |  |  |  |  |  |  |  |
| <b>9</b>  | Income apportionment percentage (from Schedule F, line 5) .....   | 9  |  |  |  |  |  |  |  |
| <b>10</b> | 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 |  |  |  |  |  |  |  |

## Schedule E-1 Dividends Deduction

- |          |   |   |       |
|----------|---|---|-------|
| <b>1</b> | Total dividends. See instructions                             | 1 | 28000 |
| <b>2</b> | Dividends from Massachusetts corporate trusts                 | 2 |       |
| <b>3</b> | Dividends from non-wholly-owned DISCs                         | 3 |       |
| <b>4</b> | Dividends, if less than 15% of voting stock owned             | 4 | 7000  |
| <b>5</b> | Dividends from RICs   | 5 |       |
| <b>6</b> | Dividends from REITs  | 6 |       |
| <b>7</b> | Total taxable dividends. Add lines 2 through 6                | 7 | 7000  |
| <b>8</b> | Dividends eligible for deduction. Subtract line 7 from line 1 | 8 | 21000 |
| <b>9</b> | Dividends deduction. Multiply line 8 by .95                   | 9 | 19950 |



CORPORATION NAME

TEST TWO CORP

FEDERAL IDENTIFICATION NUMBER

041111111

## Schedule E Taxable Income

2015

▼ If a loss, mark an X in box at left

1	Gross receipts or sales (from U.S. Form 1120, line 1c)	▶ 1	228224543
2	Gross profit (from U.S. Form 1120, line 3)	▶ 2	95125332
3	Other deductions (from U.S. Form 1120, line 26)	▶ 3	48319467
4	Net income (from U.S. Form 1120, line 28)	▶ 4	7585010
5	Allowable U.S. wage credit. See instructions	▶ 5	
6	Subtract line 5 from line 4	6	7585010
7	State and municipal bond interest not included in U.S. net income	▶ 7	2500
8	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income	▶ 8	513783
9	Section 168(k) "bonus" depreciation adjustment. See instructions	▶ 9	X 3600
10	Section 31I and 31K intangible expense add back adjustment. See instructions	▶ 10	72277
11	Section 31J and 31K interest expense add back adjustment. See instructions	▶ 11	27863
12	Federal production activity add back adjustment. See instructions	▶ 12	5000
13	Other adjustments, including research and development expenses. See instructions	▶ 13	104930
14	Add lines 6 through 13	14	8307763
15	Abandoned building renovation deduction	× .10 = ▶ 15	
16	Dividends deduction (from Schedule E-1, line 9)	▶ 16	19950
17	Exception(s) to the add back of intangible expenses (enclose Schedule ABIE)	▶ 17	7000
18	Exception(s) to the add back of interest expenses (enclose Schedule ABI)	▶ 18	450
19	Income subject to apportionment. Subtract the total of lines 15 through 18 from line 14	19	8280363
20	Income apportionment percentage (from Schedule F, line 5 or 1.0, whichever applies)	▶ 20	0760200
21	Multiply line 19 by line 20	21	6294732
22	Income not subject to apportionment	▶ 22	
23	Total net income allocated or apportioned to Massachusetts. Add lines 21 and 22	▶ 23	6294732
24	Certified Massachusetts solar or wind power deduction	▶ 24	
25	Massachusetts taxable income before net operating loss deduction. Subtract line 24 from line 23	25	6294732
26	Net operating loss deduction (enclose Schedule NOL)	▶ 26	
27	Massachusetts taxable income. Subtract line 26 from line 25	27	6294732
28	Total net operating loss available for carryover to future years	▶ 28	





Massachusetts Department of Revenue  
Credit Manager Schedule

For calendar year 2015 or taxable year beginning

Name of corporation

TEST TWO CORP

and ending

Federal identification number

041 111 111

Total credit(s) taken this year (from column f below)

617 967

Instructions

Taxpayers with credits available for use in the current year must file this schedule to report the credits and the amount of each credit used. In section 1 of this schedule, report all available credits. For credits tracked by certificate numbers issued by the Department of Revenue or another state agency that must be used to claim the credit, enter each certificate number and the associated credits separately. For credits not tracked by certificate number, enter credits separately by type and the year to which they relate. List credits available whether or not they are being used in the current year.

For each credit, report the amount of the credit available for use, the amount of credit taken this year to reduce tax, and for corporations filing a combined report only the amount of credit shared with affiliates.

Credit claims

1 List any credit for which this taxpayer is the primary owner and show the amounts used to reduce the total excise or shared with affiliates. List all credits available, including those not used in the current year. **Note:** If you are using a tax credit that does not have an expiration date, for example the Van Pool or Research Credit, fill in the "Non-Expiring" oval and leave the "Period end date" and "Certificate number" fields blank.

a. Credit type	b. Fill in if non-expiring	c. Period end date (mm/dd/yyyy)	d. Certificate number	e. Credit available or certificate balance	f. Credit taken this year	g. Credit shared this year
EDIP	<input type="radio"/>	12 31 2015	4020E01397	228462	228462	
VANPOOL	<input checked="" type="radio"/>			5000	5000	
RESEARCH	<input checked="" type="radio"/>			300205	300205	
HARBOR	<input type="radio"/>	12 31 2015		8300	8300	
FILM	<input type="radio"/>	12 31 2015	4020F00099	67500	67500	
WELLNESS	<input type="radio"/>	12 31 2015	41234W9898	6000	6000	
HOUSING	<input type="radio"/>	12 31 2015	4002H00010	1000	1000	
REF DAIRY	<input type="radio"/>	12 31 2015	41234	110	110	
REF LIFE SCIENCE	<input type="radio"/>	12 31 2015		820	820	
REF CONS LAND	<input type="radio"/>	12 31 2015	4101L00102	500	500	
REF COMM INV	<input type="radio"/>	12 31 2015	4302V00110	70	70	
	<input type="radio"/>					
	<input type="radio"/>					
	<input type="radio"/>					
	<input type="radio"/>					

Total. Enter total amount of credit(s) taken this year here and where indicated above



[illegible]





CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

TEST TWO CORP

04111111

## Schedule F Income Apportionment

2015

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  
☐ Change in method of calculating one or more factors from prior year (attach statement)

## 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	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
TULSA, OK	FACTORY	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## APPORTIONMENT FACTORS

- 1** Tangible property:
- a. Property owned (averaged) ..... ▶ Massachusetts 3653748 ▶ Worldwide 25451310
- b. Property rented (capitalized) ..... ▶ Massachusetts 432000 ▶ Worldwide 800000
- c. Total property owned and rented ..... Massachusetts 4085748 Worldwide 26251310
- d. Tangible property apportionment percentage. Divide (from line 1c) Massachusetts total by worldwide total. ... 1d 0155640
- 2** Payroll:
- a. Total payroll ..... ▶ Massachusetts 29055395 ▶ Worldwide 50542900
- b. Payroll apportionment percentage. Divide (from line 2a) Mass. total payroll by worldwide total payroll. .... 2b 0574866
- 3** Sales:
- a. Tangibles (Massachusetts destination) ... ▶ Massachusetts 23000000
- b. Tangibles (Massachusetts throwback) ... ▶ Massachusetts 150301277 ▶ Worldwide 227899573
- c. Services (including mutual fund sales) ... ▶ Massachusetts 25000 ▶ Worldwide 100000
- d. Rents and royalties ..... ▶ Massachusetts 20000 ▶ Worldwide 50000
- e. Other ..... ▶ Massachusetts 150000 ▶ Worldwide 175000
- f. Total sales ..... Massachusetts 173496277 Worldwide 228224573
- 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 0760200
- 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 0760200
- 5** Massachusetts apportionment percentage. If the taxpayer is a Section 38 manufacturer, enter the amount from line 4 here and in Schedules E, line 20. Mutual fund service corporations for mutual fund sales, enter the amount from line 4 here and in line 20 of the Schedules E 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, line 20 (for mutual fund service corporations, the Schedules E for non-mutual fund sales). See instructions. ... 5 0760200



CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

TEST TWO CORP

04111111

**Schedule H Investment Tax Credit and Carryovers****2015**

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**

<b>1</b>	Receipts tests for R&D corporations. Enter only receipts assignable to Massachusetts.	
a.	Total receipts	1a
b.	Receipts from R&D included in 1a	1b
c.	Percent of revenues derived from R&D. Divide line 1b by line 1a.	1c
d.	Describe R&D category	
<b>2</b>	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
d.	Total cost of qualified equipment	2d
e.	Total cost of qualified fixtures	2e
f.	Total cost of qualified leasehold improvements taxed locally	2f
g.	Total cost of qualified leasehold improvements not taxed locally	2g
h.	Total cost of qualified other fixed depreciable assets	2h
<b>3</b>	Total cost of eligible properties. Add lines 2a through 2h	3
<b>4</b>	Total U.S. investment tax credit and U.S. basis reduction	4
<b>5</b>	Amount eligible for Massachusetts Investment Tax Credit (ITC). Subtract line 4 from line 3	5
<b>6</b>	Available current-year ITC. Multiply line 5 by .03.	6
<b>7</b>	Amount of credit reduction for assets placed in service during current year but no longer qualified at year end	7
<b>8</b>	Net current year investment tax credit generated.	8



CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

TEST TWO CORP

041111111

**PART 2. RECONCILIATION OF MASSACHUSETTS TANGIBLE PROPERTY**

<b>1</b>	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
c.	Qualifying property . . . . .	1c
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 11 . . . . .	1d
<b>2</b>	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
c.	Qualifying property . . . . .	2c
d.	Total purchases and leases made during tax year. Add lines 2a through 2c . . . . .	2d
<b>3</b>	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
<b>4</b>	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
c.	Qualifying property . . . . .	4c
d.	Total sales, exchanges and retirements made during the tax year. Add lines 4a through 4c . . . . .	4d
<b>5</b>	Book depreciation taken during the year . . . . .	5
<b>6</b>	Other adjustments made during the year including interstate transfers of depreciable assets, etc. . . . .	6
<b>7</b>	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
c.	Qualifying property . . . . .	7c
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 11 . . . . .	7d



CORPORATION NAME

TEST TWO CORP

FEDERAL IDENTIFICATION NUMBER

041111111

**Schedule RC Research Credit****2015**

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 carryforward 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 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 defense related activities under 38M(i) or is claiming the life sciences research credit under 38W. If either of these conditions applies, submit separate schedules RC for each category of research credit applicable and fill in one of the following ovals on each Schedule RC filed (see instructions): ☐ General research ☐ Defense-related ☐ Life science

**PART 1. MASSACHUSETTS RESEARCH CREDIT GENERATED**

<b>1</b>	Basic research payments made by this corporation .....	1							
<b>2</b>	Total group basic research payments .....	2							
<b>3</b>	Group base period amount .....	3							
<b>4</b>	Group incremental research payments. Subtract line 3 from line 2. ....	4							
<b>5</b>	Total group credit for basic research payments. Multiply line 4 by .15 .....	5							
<b>6</b>	Qualified wage expenses for this corporation ..... ▶	6	4	3	5	8	3	0	9
<b>7</b>	Qualified supply expenses for this corporation ..... ▶	7		2	9	6	7	2	7
<b>8</b>	Qualified computer rental time expenses for this corporation ..... ▶	8				3	5	4	4
<b>9</b>	65% of qualified contract expenses for this corporation ..... ▶	9			1	1	2	5	0
<b>10</b>	Total qualified research expenses for this corporation. Add lines 6 through 9 .....	10	4	6	6	9	8	3	0
<b>11</b>	Total group qualified research expenses .....	11	4	6	6	9	8	3	0
<b>12</b>	Group fixed base percentage. Not more than 16%. See instructions .....	12	0	0	3	0	0	0	0
<b>13</b>	Group average annual receipts. See instructions ..... ▶	13	1	2	0	6	8	4	4
<b>14</b>	Group base amount. Not less than 50% of line 11 ..... ▶	14	3	6	2	0	5	3	5
<b>15</b>	Group incremental research expenses. Subtract line 14 from line 11 .....	15	1	0	4	9	2	9	5
<b>16</b>	Total group credit for qualified expenses. Multiply line 15 by .10 .....	16		1	0	4	9	3	0
<b>17</b>	Total basic research payments and qualified expenses for this corporation. Add lines 1 and 10 .....	17	4	6	6	9	8	3	0
<b>18</b>	Total basic research payments and qualified expenses for the group. Add lines 2 and 11 .....	18	4	6	6	9	8	3	0
<b>19</b>	Allocation percentage for this corporation. Divide line 17 by line 18. ....	19	1	0	0	0	0	0	0
<b>20</b>	Total group research credit generated. Add lines 5 and 16 .....	20		1	0	4	9	3	0
<b>21</b>	Total credit generated by this corporation in current year. Multiply line 19 by line 20. See instructions ... ▶	21		1	0	4	9	3	0



**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.

Is this schedule reporting a Life Science Research Credit under M.G.L. Ch. 63 sec. 38W?: ☐ Yes ☒ No

<b>1</b>	Total excise before credits for this corporation (from form 355, line 6, Form 355S, line 9 or Schedule U-IC, line 1) .....	1	616923
<b>2</b>	Total group excise before credit. See instructions .....	2	616923
<b>3</b>	Allocation percentage for the \$25,000 excise bracket .....	3	1000000
<b>4</b>	Corporation's share of excise not subject to the 75% limitation (line 3 percentage $\times$ \$25,000, but not more than line 1) .....	4	25000
<b>5</b>	Corporation's excise subject to the 75% limitation. Subtract line 4 from line 1 .....	5	591923
<b>6</b>	75% of excise subject to limitation .....	6	443942
<b>7</b>	Corporation's subtotal of excise within the limitation. Add lines 4 and 6 .....	7	468942