PRINT IN BLACK INK

Ovals must be filled in completely. Example:

Schedule RC Research Credit 2003

CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER (FID)

Attach all copies of U.S. Form 6765. See instructions.

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

Massachusetts Basic Research Payments

1 Basic research payments to qualified organizations. . . . . ► 1

2 Base period amount . . . . . ► 2

3 Incremental payments. Subtract line 2 from line 1. Not less than "0" 3

4 Tentative credit for basic research payments. Multiply line 3 by .15 4

Massachusetts Qualified Research Expenses

5 Wages for qualified service 5

6 Cost of supplies 6

7 Payments for computer use 7

8 65% of contract expenses 8

9 Total qualified research expenses. Add lines 5 through 8 . . . . . ► 9

10 Fixed base percentage. Not more than .16. See instructions 10

11 Average annual gross receipts 11

12 Base amount. Multiply line 11 by line 10. Not less than 50% of line 9 12

13 Incremental qualified research expenses. Subtract line 12 from line 9 13

14 Tentative research credit for qualified research expenses. Multiply line 13 by .10 . . . . . ► 14

Research Credit Limitations

15 Total current tentative research credit. Add lines 4 and 14 15

16 Unused carryover credit (from 2002 Schedule RC, line 35). . . . . ► 16

17 Total available credits. Add lines 15 and 16 . . . . . ► 17

18 Excise before credits (from 2003 Form 355, Excise Calculation, line 5, or Form 355S, Excise Calculation, line 8). If less than or equal to $25,000, skip to line 22 18

19 Excise subject to 75% limitation. If line 18 is greater than $25,000, subtract $25,000 from line 18 19

20 75% limitation. Multiply line 19 by .75 20

21 Excise not subject to 75% limitation. Enter $25,000. See instructions 21

22 Subtotal excise. Enter line 18 or the total of lines 20 and 21, whichever applies. 22

23 Minimum excise limitations. See instructions. 23

24 Maximum allowable research credit. Subtract line 23 from line 22. 24

25 Allowable research credit. Use 15 year carryover amount included in line 16 first, then the unlimited credit carryover included in line 16, then the amount from line 15. If line 24 is less than line 17, use line 24 25

26 Research credit taken against excise. Enter here and on Form 355 or 355S, Excise Calculation 26

Research Credit Carryover

27 15 year credit available for 2003 27

28 15 year credit used in 2003 28

29 15 year carryover available for 2004. Subtract line 28 from 27 29

30 Unlimited credit available for 2003 30

31 Unlimited credit used in 2003. 31

32 Unlimited credit carryover available for 2004. Subtract line 31 from 30 32

33 Current year credit available for 2003. 33

34 Current year credit used in 2003 34

35 Current year credit carryover available for 2004. Subtract line 34 from 33. 35