Strategic Research and Development Tax Credit
(For periods after January 1, 2015)

**NOTE:** This schedule is for qualified investment items placed into service for periods after December 31, 2002.

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Identification Number</th>
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Tax Period

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
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<tbody>
<tr>
<td>Net Cost</td>
<td>Allowable Cost</td>
<td>Eligible Investment</td>
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</table>

1. Property with useful life of less than 4 years.................... $............ 33 ⅓% $............
2. Property with useful life of 4 years but less than 6............ $............ 66 ⅔% $............
3. Property with useful life of 6 years or more...................... $............ 100% $............
4. In-house research expenses............................................ $............ 100% $............
5. Outside contract research expenses................................ $............ 65% $............
6. Total eligible investment................................................................................................................................................................ $............

If you conducted research and development in West Virginia during prior years, go to Line 7a, otherwise skip to line 1.

7a. Preceding Year R & D investment and expenses................................. $............
7b. Second preceding Year R & D investment and expenses....................... $............
7c. Third preceding Year R & D investment and expenses........................... $............
8. Total R & D investment and expenses – Three preceding years (add the amounts on lines 7a, 7b, and 7c)................................. $............
9. Average R & D investment and expenses – Three preceding years (divide amount on line 8 by 3, or enter $0 if you skipped line 7 & 8)........ $............
10. Excess total eligible investment (line 6 amount less line 9 amount [cannot be less than $0])............................................................ $............
11. Allowable excess total eligible investment (Multiply line 10 amount by 10%).................................................................................. $............
12. Allowable annual total eligible investment (Multiply line 6 amount by 3%).................................................................................. $............
13. Amount of current year credit allowed (R & D companies enter the greater of line 11 or line 12; owners enter current year credit allocated from an R & D company)............................................................................................................................................................... $............
14. Enter available unused credit from prior years............................... $............
15. Total Credit (Add lines 13 and 14).................................................. $............
16. Total Corporation Net Income Tax................................................. $............
17. Enter amount of credit Claimed against Corporation Net Income Tax........................................................................................................ $............
18. Total Qualified Personal Income Tax............................................. $............
19. Enter amount of Credit claimed against Personal Income Tax........ $............
20. Total credit claimed this year (sum of line 17 and line 19).................. $............
21. Credit balance (subtract line 20 from line 15)................................... $............

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22. Strategic Research and Development Credit Allocated to Owners

<table>
<thead>
<tr>
<th>Owner Name</th>
<th>Owner FEIN</th>
<th>Owner Ownership %</th>
<th>Strategic Research and Development Credit Allocated</th>
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TOTAL ALLOCATED...............................................................................................................................................................................

23. Unused Credit (Subtract Total Allocated Credit from line 21)...............................................................................................................

24. Refundable credit* for “Small Qualified Research and Development Company”

In order to claim a refundable credit, all of the following must be satisfied:

I. Qualified R & D Investment/Expenditure made on or after July 1, 2004 and the tax year of the Qualified Research and Development Company began on or after July 1, 2004.**

II. Qualified R & D Investment/Expenditure made prior to January 1, 2008.

III. Gross Revenues of R & D company, including controlled group, less than or equal to $20,000,000.

IV. Payroll of R & D company, including controlled group, less than or equal to $2,500,000.

If conditions I, II, III, and IV have been satisfied, enter minimum of $100,000*** or the amount on Line 23.......................................

(Corporation Net Income Tax Taxpayers enter the refundable credit on the “Prior year carryforward” line and enter a note and amount to the left of the entry field. Personal Income Tax taxpayers enter the refundable credit on the “Tax Credits/Employment/Family Adoption Credit” Line)

25. Credit Carry Over Recap

<table>
<thead>
<tr>
<th>Year of Credit</th>
<th>Carry-Over Amount</th>
<th>Amount used in prior carry-over years</th>
<th>Amount Used This Year</th>
<th>Remaining Credit</th>
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*The Refundable Credit is subject to an overall statutory limit. Thus, the amount of credit may be reduced by the Tax Commissioner upon the review of all credit claims.

**The tax year of the Qualified Research and Development Company must begin on or after July 1, 2004. For example, a Taxpayer whose tax year begins on January 1 cannot claim the refundable credit for the January 1, 2004 to December 31, 2004 tax year (the first tax year that a January 1 to December 31 tax year filer can claim the refundable credit would be the January 1, 2005 to December 2005 tax year).

***The total Refundable Credit claimed by an eligible Taxpayer, including owners and the controlled group cannot exceed $100,000.