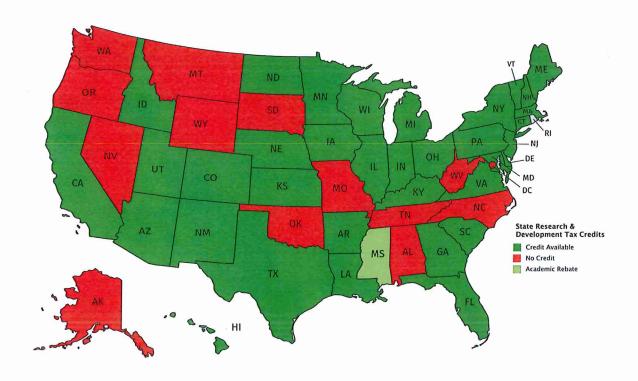
State Research and Development Tax Credits



State	Research and Development Tax Credit
Arkansas	R&D Tax Credit available. 33% of QREs for up to 5 years for In-House research by a
	Targeted Business, R&D in Area of Strategic Value, and University Based R&D.
	Maximum credit each year is \$50,000. Credits can be claimed for up to 100% of the
	tax liability. In-House Research Credit of 20%. C-Corps, S-Corps, LLCs, and
	Partnerships are eligible. 9 year carryforward.
Florida	R&D Tax Credit available. 10% of the excess of the FL QREs over the base amount
	(base amount calculated as average of QREs for prior four taxable years). Credit
	limited to 50% of taxpayer's tax liability. Must claim federal R&D credit in order to
	claim FL credit. Research expenses in Florida. C-Corps only. 5 year carryforward.
	Generally, a cap of \$9 million, except that the cap in 2016 was \$23 million, and the
	cap in 2018 is \$16.5 million.
Georgia	R&D Tax Credit available. 10% of the excess over a base amount consisting of the
	product of the business enterprise's Georgia gross receipts in the current taxable
	year and either the average of the ratios of its aggregate qualified research
	expenses to Georgia gross receipts for the preceding three taxable years or 30%,
	whichever is less. Credit can be used to offset up to 50% of income tax liability,
	after all other credits have been applied. Excess R&D tax credits can be used against
	state payroll withholding. Research expenses in Georgia. C-Corps, S-Corps, LLCs,
	and Partnerships are eligible. 10 year carryforward.
Kentucky	R&D Tax Credit (nonrefundable) available. 5% of the qualified costs of construction,
	remodeling, expanding, and equipping facilities in Kentucky for "qualified

	research." C-Corps, S-Corps, LLCs, and Partnerships are eligible. 10 year
Louisiana	carryforward. R&D Tax Credit available. For companies with less than 50 LA employees, 30% of difference of the LA QREs for the year minus the base amount (50% of the average QREs during the prior 3 years). For companies with 50-99 LA employees, 10% of the excess of the LA QREs over the base amount. For companies with 100+ LA employees, 5% of the excess of the LA QREs over the base amount. For 50+ LA employees, the base amount is 80% of the average QREs for the prior 3 years. C-Corps, S-Corps, LLCs, and Partnerships are eligible. 5 year carryforward.
Mississippi	Mississippi offers the "Strengthening Mississippi Academic Research Through Business Act" (SMART). This allows for a rebate equal to 25% of the investor's (a natural person, partnership, LLC, association, corporation, or other business entity) qualified research costs, up to a maximum rebate of \$1 million per investor per year, and a maximum of \$5 million for all investors per year. This rebate is limited to qualified research undertaken by an accredited college in Mississippi or a research corporation wholly owned by a college in Mississippi.
North Carolina	No R&D credit available (repealed effective 1/1/2016).
South Carolina	R&D Tax Credit available. 5% of qualified South Carolina research expenditures. Credit cannot exceed 50% of taxpayer's liability. Qualified research expenses made in SC. C-Corps, S-Corps, LLCs, and Partnerships are eligible. 10 year carryforward. A taxpayer's credits in all years may not exceed \$100,000.
Tennessee	No R&D credit available.
Texas	R&D Tax Credit available. 5% of the excess amount of Texas QREs in the current period over the base amount (50% of the average of the 3 preceding years). If none in prior years, then 2.5% of the QREs incurred in the year. If contracted with a public or private institution and incurred in Texas, then the credit equal 6.25% of the difference. If none in prior years, then credit is 3.125% of the QREs. Credit cannot exceed 50% of the franchise tax due. C-Corps, S-Corps, LLCs, and Partnerships are eligible. 20 year carryforward. Expires 12/31/2026.
Virginia	R&D Tax Credit (refundable) available, however it expires 12/31/2022. 15% of the
	first \$300,000 of Virginia qualified R&D expenses OR 20% of the first \$300,000 of Virginia qualified R&D expenses if the research was conducted in conjunction with a VA college or university, to the extent the expenses exceed the base amount. Simplified Method: 10% of the difference of VA QREs for the taxable year and 50% of the average VA QREs incurred for the three preceding taxable years. If none in prior years, then 5% of QREs. Aggregate amount of credits for each taxpayer cannot exceed \$45,000 yearly, except if with VA college or university then cannot exceed \$60,000. \$7 million cap on total credits allowed yearly. If taxpayer has excess of \$5 million in R&D expenses, the taxpayer is allowed a nonrefundable Major Research and Development Tax Credit – 10% of the difference between QREs and 50% of the average QREs for the prior 3 years. If none in prior years, then credit is 5% of QREs. Aggregate Major Credit yearly cannot exceed \$20 million. C-corps, S-Corps, LLCs, and Partnerships are eligible. No carryforward for regular R&D, but 10 year for Major R&D.