

# 2025 M30-RD, Credit for Increasing Research Activities

Name of Company \_\_\_\_\_ FEIN \_\_\_\_\_ Minnesota Tax ID \_\_\_\_\_

**Round amounts to nearest whole dollar.**

<b>1</b>	Wages for qualified services <i>(do not include wages used in figuring the work opportunity credit)</i> .....	<b>1</b>				
<b>2</b>	Cost of supplies .....	<b>2</b>				
<b>3</b>	Amounts paid or incurred for the right to use computers to conduct research .....	<b>3</b>				
<b>4</b>	Applicable percentage of contract expenses .....	<b>4</b>				
<b>5</b>	Amount paid to qualified research organizations for basic research .....	<b>5</b>				
<b>6</b>	Development contributions to a nonprofit organization .....	<b>6</b>				
<b>7</b>	Total qualified research expenses in Minnesota for the tax year <i>(add lines 1 through 6)</i> .....	<b>7</b>				
<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="width: 35%; text-align: center;"><b>A- Minnesota Sales and Receipts</b></td> <td style="width: 35%; text-align: center;"><b>B- Minnesota Qualified Research Expenses</b></td> </tr> </table>					<b>A- Minnesota Sales and Receipts</b>	<b>B- Minnesota Qualified Research Expenses</b>
	<b>A- Minnesota Sales and Receipts</b>	<b>B- Minnesota Qualified Research Expenses</b>				
<b>8</b>	Tax year 1988. ....	<b>8</b>				
<b>9</b>	Tax year 1987. ....	<b>9</b>				
<b>10</b>	Tax year 1986 .....	<b>10</b>				
<b>11</b>	Tax year 1985 .....	<b>11</b>				
<b>12</b>	Tax year 1984 .....	<b>12</b>				
<b>13</b>	Add lines 8 through 12 .....	<b>13</b>				
<b>14</b>	Fixed base percentage (divide line 13B by line 13A; do not fill in more than 16% [.16]). Start-up companies, see instructions .....	<b>14</b>				
<b>15</b>	Tax year 2024. ....	<b>15</b>				
<b>16</b>	Tax year 2023. ....	<b>16</b>				
<b>17</b>	Tax year 2022. ....	<b>17</b>				
<b>18</b>	Tax year 2021 .....	<b>18</b>				
<b>19</b>	Add lines 15 through 18 .....	<b>19</b>				
<b>20</b>	Average annual gross receipts/mine value <i>(multiply line 19 by 25% [.25])</i> .....	<b>20</b>				
<b>21</b>	Multiply line 20 by the percentage on line 14 .....	<b>21</b>				
<b>22</b>	Multiply line 7 by 50% (.50) .....	<b>22</b>				

Name of Company \_\_\_\_\_ FEIN \_\_\_\_\_ Minnesota Tax ID \_\_\_\_\_

Round amounts to nearest whole dollar.

- 23 Base amount (enter amount from line 21 or line 22, whichever is greater) . . . . . **23** \_\_\_\_\_
  - 24 Subtract line 23 from line 7 (if result is zero or less, leave blank) . . . . . **24** \_\_\_\_\_
  - 25 Enter the amount from line 24 or \$2,000,000, whichever is less . . . . . **25** \_\_\_\_\_
  - 26 Subtract line 25 from line 24 . . . . . **26** \_\_\_\_\_
  - 27 Multiply line 25 by 10% (.10) . . . . . **27** \_\_\_\_\_
  - 28 Multiply line 26 by 4% (.04) . . . . . **28** \_\_\_\_\_
  - 29 **Current credit** (add lines 27 and 28) . . . . . **29** \_\_\_\_\_
  - 30 Limitation (see instructions) . . . . . **30** \_\_\_\_\_
  - 31 Credit for increasing research activities (enter line 29 or 30, whichever is less) . . . . . **31** \_\_\_\_\_
  - 32 Subtract line 31 from 29. . . . . **32** \_\_\_\_\_
  - 33 Refundable credit amount (multiply line 32 by 19.2% [.192]). Include here and on M30, line 6 . . . . . **33** \_\_\_\_\_
- If you are electing refundable portion of this credit, check this box
- 34 Subtract line 33 from 32. . . . . **34** \_\_\_\_\_
  - 35 Your credit carryover from 2024 (see instructions) . . . . . **35** \_\_\_\_\_
  - 36 Add lines 31 and 35 . . . . . **36** \_\_\_\_\_
  - 37 **2025 Nonrefundable Credit Amount** (enter line 30 or line 36, whichever is less) Enter on M30I, line 29 . . . . . **37** \_\_\_\_\_
  - 38 **Credit Carryover to 2026** (total of lines 29 & 35, minus credit used on lines 33 & 37) (see instructions) . . . . . **38** \_\_\_\_\_

Attach this schedule and a copy of federal Form 6765 to your Minnesota return.

Name of Company \_\_\_\_\_ FEIN \_\_\_\_\_ Minnesota Tax ID \_\_\_\_\_

**Additional Information. Please check the appropriate box.**

- 1. Did a CPA, attorney, consultant or other:**
- |  |             |                          |                          |
|--|-------------|--------------------------|--------------------------|
|  |             | <b>Yes</b>               | <b>No</b>                |
| a. Assist in the calculation or preparation of the tax credit? ..... | <b>1a</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Conduct a R&D tax credit study? .....                             | <b>1b</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |

*If "Yes" is checked on lines 1a or 1b, provide the following information for each individual who assisted in the calculation or preparation of the tax credit or conducted a tax credit study. (If more than one individual, attach a schedule for each with the following information):*

Individual's Name	Individual's Title
Individual's Company	Individual's Phone Number

- c. If "Yes" is checked on lines 1a or 1b, may the Minnesota Department of Revenue discuss the tax credit with the individual(s) who assisted in the calculation or preparation of the tax credit or conducted a tax credit study? .....
- |  |             |                          |                          |
|--|-------------|--------------------------|--------------------------|
|  | <b>1c</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |
|--|-------------|--------------------------|--------------------------|

- 2. How were the following calculated: check appropriate box.**
- |                              |             | Review of<br>contemporaneous<br>records | Estimation               | Combination of review of<br>contemporaneous<br>records and estimation |
|------------------------------|-------------|---|--------------------------|---|
| a. Wages .....               | <b>2a</b> ■ | <input type="checkbox"/>                | <input type="checkbox"/> | <input type="checkbox"/>  |
| b. Supplies .....            | <b>2b</b> ■ | <input type="checkbox"/>                | <input type="checkbox"/> | <input type="checkbox"/>  |
| c. Contracted Research ..... | <b>2c</b> ■ | <input type="checkbox"/>                | <input type="checkbox"/> | <input type="checkbox"/>  |

- 3. Were the following performed/conducted within the state of Minnesota:**
- |                              |             |                          |                          |
|------------------------------|-------------|--------------------------|--------------------------|
| a. Wages .....               | <b>3a</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Contracted Research ..... | <b>3b</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |

**If "No" is checked on lines 3a or 3b, the taxpayer cannot claim those expenses in calculating the tax credit.**

- |   |            |                          |                          |
|---|------------|--------------------------|--------------------------|
| 4. Was the claimed research performed at the request of another individual or entity? .....                               | <b>4</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Was the claimed research performed as part of a joint venture with another individual or entity? .....                 | <b>5</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Did you receive an Innovation Grant from the Minnesota Department of Employment and Economic Development (DEED)? ..... | <b>6</b> ■ | <input type="checkbox"/> | <input type="checkbox"/> |

**If "Yes" is checked, see instructions for lines 1-6 Qualified Expenses.**

# 2025 Schedule M30-RD Instructions

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If your business paid qualified research and development expenses in Minnesota, and those expenses exceed a base amount, you may be entitled to this credit.

The credit equals 10 percent of the first \$2,000,000 of qualifying expenses over the base amount, and 4 percent of expenses over \$2,000,000. The refundable portion of the credit equals 19.2 percent of the remaining amount of the current year credit that exceeds the limitation on use before previous year carryforwards are applied.

## Qualified Expenses

Round amounts to the nearest whole dollar.

### Lines 1–6

Qualified research expenses are the same kinds of expenses and payments that qualify for the federal credit for increasing research activities except that they must be for research done in Minnesota. Include your qualified Minnesota research expenses paid or incurred in the taxable year on lines 1 through 5.

Qualified research expenses also include contributions to qualified nonprofit organizations that are operated to make grants to small, technologically innovative enterprises in Minnesota during their early development stages. Include these contributions on line 6.

If you received an Innovation Grant from the Minnesota Department of Employment and Economic Development (DEED), then any expenditures funded by the Innovation Grant are not eligible qualified expenses. Do not include these funded expenditures on lines 1 through 6.

## Base Amount

### Lines 8–12 and 15–18

The base amount is calculated in the same way as it is under federal law, except that expenses must be for research done in Minnesota. For Minnesota gross income, use your mine value, not the sales figure used for your federal calculation.

Enter your Minnesota gross income/mine value and qualified research expenses for the indicated tax years in the appropriate columns.

Minnesota does not conform to the federal “alternative simplified method” when determining the base amount.

### Lines 13 and 14

#### Fixed-Base Percentage

Follow the instructions on lines 13 and 14 to determine the amount of your fixed-base percentage. (Note: Only tax years beginning in 1984 through 1988 are used to calculate the percentage.)

Start-up companies. If you had Minnesota gross income and Minnesota qualified research expenses in fewer than three tax years beginning after Dec. 31, 1983, and before Jan. 1, 1989, or if the first taxable year you had both gross income and qualified research expenses began after Dec. 31, 1983, your fixed-base percentage for the first five tax years beginning after 1993 is 3 percent (line 14).

See IRC section 41(c)(3)(B)(ii) to figure the fixed-base percentage for any tax year after the fifth tax year beginning after 1993 for which you have qualified research expenses. Use Minnesota qualified research expenses and sales or receipts in applying the provisions of IRC section 41(c)(3)(B)(ii).

### Line 30

#### Limitation

Your credit is limited to the occupation tax on Form M30-I, line 28. If the result is zero or less, enter zero.

### Line 33

#### Refundable Credit Amount

If there is a remaining 2025 credit amount on line 32, check the box if you are electing to claim a refundable portion of this credit. If you elect to claim a refundable portion of this credit, multiply line 32 by 19.2 percent and enter the amount on line 33. If you are not electing to claim the refundable portion of this credit, put \$0 on line 33.

### Line 35

#### Credit Carryover from Prior Year

Enter any unused credit carried over from a prior year. Attach a statement explaining amounts included on line 35.

### Line 38

#### Credit Carryover

Any unused portion of your credit may be carried forward to each of the 15 tax years succeeding the credit year.

## Additional Information

Completely fill out the information requested in order to assist in calculating credit for increased research activity you may be qualified to claim and aid in processing your return.

## Information and Assistance

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Email: [mining.taxes@state.mn.us](mailto:mining.taxes@state.mn.us)

Phone: 218-744-7424

This material is available in alternate formats.