

Research Credit Worksheet
Line 11 - Average Annual Gross Receipts

Name

California ID Number

Enter the average annual gross receipts for the four taxable years preceding the taxable year for which the credit is being determined (called the credit year). You may be required to annualize gross receipts for any short taxable year. See IRC Section 41(c)(1)(B) and Section 41(f)(4) for more information.

For purposes of line 10 and line 11, reduce gross receipts for any taxable year by returns and allowances made during the taxable year. In the case of a business that operates within and outside of California, include only the gross receipts from the sale of property held primarily for sale to customers in the ordinary course of your trade or business that is delivered or shipped to customers in California, regardless of "free on board" (f.o.b.) point or any other condition of the sale. This includes sales to the U.S. government that are delivered or shipped to customers in California. Throwback sales and receipts from services, rents, operating leases and interest, royalties and licenses are excluded from the computation.

If you have no California gross receipts for the previous four years (under LDG 2012-03-01), enter \$0 on line 11.

- A. Year 1 amount _____
- B. Year 2 amount _____
- C. Year 3 amount _____
- D. Year 4 amount _____
- E. Total _____
- F. Denominator _____
- G. Average annual gross receipts _____