

COMPUTER INDUSTRY CREDIT

FORM **580**

TITLE 68 O.S. SECTION 2357.201

Name	Federal Identification Number
Address	North American Industry Classification System (NAICS) Code
City, State and Zip Code	

GENERAL INFORMATION:

For taxable years beginning after December 31, 2005 and ending not later than December 31, 2008, there is allowed a refundable credit equal to 15% of "qualified capital expenditures", "qualified wages" or "qualified training expenses" incurred by a qualified business enterprise whose principal activity is data processing services, computer systems design services or other computer related services. The total credits claimed during the fiscal year ending June 30, 2007, fiscal year ending June 30, 2008 or fiscal year ending June 30, 2009 cannot exceed \$350,000.00 each year.

Credit Computation

1	Qualified Capital Expenditures	
2	Qualified Wages	
3	Qualified Training Expenses	
4	Total Qualified Expenditures - add lines 1 - 3..... (cannot exceed \$2,333,333.00)	
5	Refundable Credit – multiply line 4 by 15%	
	(cannot exceed \$350,000.00)	

FILING INSTRUCTIONS AND DUE DATE:

If the Computer Industry Credit is being filed with an income tax return, the credit must be claimed as a refundable credit on the tax return. The income tax return claiming such credit must be filed no later than the original due date of the tax return. An extension of time for filing an income tax return does not extend the time period for claiming the credit. The credit should be claimed on the estimated tax line of the income tax return. Enclose Form 580 with the income tax return.

If the Computer Industry Credit is not being filed with an income tax return, the Form 580 may be filed as a stand alone form. The claim must be filed no later than the original due date of the income tax return. Claims filed during the fiscal year ending June 30, 2007, shall not be filed earlier than July 1, 2006, and the claims for each subsequent taxable year may be filed no earlier than July 1 of each of the two succeeding years. Mail Form 580 to the following address:

**Oklahoma Tax Commission
Audit Division – Corporate
Post Office Box 53403
Oklahoma City, OK 73152-3403**

Under penalties of perjury, I declare that I have examined this return, including any accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. If prepared by person other than the taxpayer, his/her declaration is based on all information of which he/she has any knowledge.

Signature of Officer	Date
Title	
Phone Number	

Signature of Preparer	Date
Preparer's Address	
Phone Number	

**CREDIT FOR DATA PROCESSING SERVICES, COMPUTER SYSTEMS DESIGN SERVICES
AND OTHER COMPUTER RELATED SERVICES
TITLE 68 O.S. SECTION 2357.201**

INSTRUCTIONS

Lines 1 - 3

Enter the qualified expenditures upon which the credit will be computed. Expenditures incurred January 1, 2005 through December 31, 2008 may be used for purposes of the credit calculation. Qualified expenses may be added together or considered independently, but the total upon which the credit is based cannot exceed \$2,333,333.00. Qualified expenditures incurred, but not used due to the \$2,333,333.00 limit, may be used on a succeeding year's Form 580.

Line 4

Total qualified expenditures. Add lines 1 - 3; cannot be more than \$2,333,333.00.

Line 5

Multiply line 4 by 15%. The maximum credit allowed during the fiscal year ending June 30, 2007; June 30, 2008 or June 30, 2009 is \$350,000.00. **Note:** If claiming this credit on an income tax return, the credit should be entered on the estimated tax line of such return.

DEFINITIONS

"Qualified business enterprise" means an entity or affiliated group of entities electing to file a consolidated Oklahoma income tax return:

- a. organized as a corporation, partnership, limited liability company or other entity having limited liability pursuant to the laws of the State of Oklahoma or the laws of another state, if such entity is registered to do business within the state, a general partnership, limited liability partnership, limited liability limited partnership or other legal entity having the right to conduct lawful business within the state,
- b. whose principal business activities are described by the North American Industry Classification System by Industry No. 514210, 541512 or 541519 as reflected in the 1997 edition of such publication,
- c. that makes at least 75% of its sales to out-of-state customers or buyers which shall be determined in the same manner as provided for purposes of the Oklahoma Quality Jobs Program Act,
- d. that is a high-speed processing facility in Oklahoma utilizing systems such as TPF, zTPF or other advanced technical systems, and that, as of July 1, 2005, maintains an Oklahoma annual payroll of at least \$85,000,000.00 and an Oklahoma labor force of 1,000 or more persons.

"Qualified capital expenditures" means those costs incurred by the qualified business enterprise for acquisition of personal property to be used in business operations within the state that qualifies for depreciation and/or amortization pursuant to the Internal Revenue Code of 1986, as amended, during the taxable year for which the credit authorized by this section is claimed, or costs incurred to refurbish, repair or maintain any existing personal property located within the state.

"Qualified wages" means compensation, including any employer-paid health care benefits, to full-time or part-time employees of the qualified business enterprise if such employees are full-time residents of the state.

"Qualified training expenses" means those costs, whether or not deductible as a business expense pursuant to the Internal Revenue Code of 1986, as amended, incurred to locate, interview, hire and educate an employee of the enterprise who has not previously been employed by the enterprise and who is a resident of the state.