



DELAWARE GENERAL INSTRUCTIONS FOR COMPLETION

BUS-RDC

(Formerly 2071AC 0007)

Revised 10/03/25

APPLICATION AND COMPUTATION SCHEDULE FOR CLAIMING DELAWARE RESEARCH AND DEVELOPMENT TAX CREDITS

The Delaware Division of Revenue must first approve any taxpayer electing to qualify for the Delaware Research & Development Tax Credits. After receiving tax credit approval from the Delaware Division of Revenue, the amount of approved credit on Delaware Form BUS-RDC must be transferred to the appropriate line on Delaware Form BUS-CRS. Delaware Forms BUS-CRS and BUS-RDC must be attached to each annual income tax return approved for the credit. If you need assistance completing this form, please contact DE Division of Revenue, 820 N. French Street, P.O. Box 8763, Wilmington, DE 19899-8763, email at DOR_CorpTax@Delaware.gov.

SPECIFIC INSTRUCTIONS

METHOD A – Ten Percent Of The Excess Of The Taxpayer’s Total Delaware Qualified Research & Development Expenses For The Taxable Year Over The Taxpayer’s Delaware Base Amount.

- Line 1** Enter the total Delaware qualified research & development expenses for the four years immediately preceding the credit year.
- Line 2** Enter the total Delaware gross receipts for the four years immediately preceding the credit year.
- Line 3** Divide Line 1 by Line 2. This is the Delaware Fixed Base Percentage.
- Line 4** Enter the average annual gross receipts for the four years immediately preceding the credit year.
- Line 5** Multiply Line 3 by Line 4. This is the Delaware Base Amount.
- Line 6** Enter the total Delaware qualified research & development expenses for the credit year.
- Line 7** Subtract Line 5 from Line 6. If the result is zero or less, enter zero.
- Line 8** Multiply Line 6 by 50%.
- Line 9** Enter the smaller of Line 7 or Line 8.
- Line 10** This is your Delaware Research & Development Credit. Multiply Line 9 by 10%.

METHOD B – Fifty Percent Of Delaware’s Apportioned Share Of Taxpayer’s Federal Research & Development Tax Credit Calculated Using The Alternative Incremental Credit Method Under Section 41(C)(4) Of The Internal Revenue Code Of 1986, Using Federal Definitions And Methodology.

- Line 1** Enter the Federal Alternative Incremental Credit from Line 39, Federal Form 6765.
- Line 2** Enter the Delaware qualified research & development expenses for the credit year.
- Line 3** Enter all qualified research & development expenses for the credit year.
- Line 4** Divide Line 2 by Line 3.
- Line 5** Multiply Line 1 by Line 4.
- Line 6** This is your Delaware Research & Development Credit. Multiply Line 5 by 50%.

STOP: If the business entity for which the credit has been approved is:

- **C CORPORATION** – Enter the Delaware R&D Credit on Form BUS-CRS, Delaware Income Tax Credit Schedule, Line 10.
- **S CORPORATION** – Multiply the Delaware R&D Credit by the percentage of stock owned by each shareholder. Enter the result on Form BUS-CRS, Delaware Income Tax Credit Schedule, Line 10.
- **PARTNERSHIP** – Multiply the Delaware R&D Credit by the percentage ownership of each partner. Enter the result on Form BUS-CRS, Delaware Income Tax Credit Schedule, Line 10.
- **INDIVIDUAL & SOLE PROPRIETOR** – Enter the Delaware R&D Credit on Form PIT-CRS, Delaware Income Tax Credit Schedule, Line 10.

As of January 1, 2017 the Research & Development Tax Credit has changed. After January 1, 2017, there is no longer a \$5,000,000 cap on total tax credits issued by the State of Delaware and the R&D Tax Credits are now refundable.

MAIL COMPLETED FORM TO: 
Delaware Division of Revenue
820 North French St.
P.O. Box 8763
Wilmington, DE 19899-8763