

# **IRS Form 6765 - Research and Experimentation Tax Credit Worksheet**

**Confidential Document - Nexus Intelligent Systems, Inc.**

## **1. TAXPAYER IDENTIFICATION**

- 1 Taxpayer Name: Nexus Intelligent Systems, Inc.
- 2 Federal Employer Identification Number (FEIN): 87-2341569
- 3 Tax Year Ending: December 31, 2023
- 4 State of Incorporation: Delaware

## **2. QUALIFIED RESEARCH EXPENSES (QREs) CALCULATION**

### **1 Qualified Research Expenditure Categories**

- a) Wages for Qualified Research Activities
- b) Supplies Used in Qualified Research
- c) Contract Research Expenses
- d) Basic Research Payments

### **2 Wage Calculation**

- 2.1 Total Qualified Research Wages: \$3,425,670
- 2.2 Qualified Employee Headcount: 42 FTE Research Personnel
- 2.3 Average Research Compensation: \$81,563 per employee

### **3 Supply Expenses**

- 3.1 Direct Research Supplies: \$412,890
- 3.2 Technology Development Materials: \$276,543
- 3.3 Prototype and Testing Supplies: \$189,234

### **4 Contract Research Expenses**

- 4.1 External Research Vendor Payments: \$1,245,670
- 4.2 Third-Party Research Agreements: \$876,543
- 4.3 Qualified Research Subcontractor Costs: \$369,127

## **3. RESEARCH CREDIT COMPUTATION**

## 1 Regular Credit Calculation Method

### a) Base Amount Calculation

- Fixed-Base Percentage: 3.85%
- Average Annual Gross Receipts (Prior 4 Years): \$9,750,000
- Calculated Base Amount: \$375,375

## 2 Alternative Simplified Credit (ASC) Method

### a) Total QREs: \$5,144,464

### b) ASC Rate: 14%

### c) Calculated Research Credit: \$720,225

## 3 Credit Limitation

### 3.1 Total Potential Credit: \$720,225

### 3.2 Alternative Minimum Tax Considerations: Applicable

### 3.3 Net Usable Research Credit: \$512,890

## **4. QUALIFIED RESEARCH ACTIVITIES DOCUMENTATION**

### 1 Research Categories

- a) AI Algorithm Development
- b) Predictive Maintenance Machine Learning
- c) Enterprise Digital Transformation Technologies
- d) Advanced Analytics Platform Engineering

### 2 Research Objectives

- 2.1 Development of proprietary AI diagnostic tools
- 2.2 Machine learning model optimization
- 2.3 Enterprise software integration technologies

## **5. COMPLIANCE AND DOCUMENTATION REQUIREMENTS**

### 1 Supporting Documentation

- a) Contemporaneous research project logs
- b) Employee time tracking records
- c) Technical design documentation

d) Research milestone verification records

## 2 Audit Preparedness

2.1 Comprehensive research activity tracking

2.2 Detailed expense categorization

2.3 Technical project documentation maintained

## 6. CERTIFICATION AND ATTESTATION

### 1 Authorized Representative Certification

I, Dr. Elena Rodriguez, CEO of Nexus Intelligent Systems, Inc., hereby certify that:

- All information provided is true and accurate
- Research activities meet IRS qualified research criteria
- Documentation supporting these claims is maintained

## 7. SIGNATURE BLOCK

Dr. Elena Rodriguez, CEO      Date

Nexus Intelligent Systems, Inc.

Michael Chen, CTO      Date

## 8. DISCLAIMER

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