



## Aerospace Industry B&O Tax Credits for Preproduction Development Expenditures

Effective December 1, 2003, there is a B&O tax credit equal to 1.5% of qualified preproduction development expenditures used in the manufacturing of commercial airplanes or component parts of commercial airplanes by manufacturers and processors for hire of commercial airplanes or component parts of commercial airplanes.

- This credit can accrue for expenditures made on and after July 1, 2005, through December 31, 2005.
- For the affidavit attached to your **December 2005** Excise Tax Return, you must complete the affidavit using actual amounts of expenditures, tax, and credits.
- The credit should be reported under the Credits section of the Excise Tax Return for periods starting July 1, 2005.
- The credit cannot exceed B&O taxes due for any reporting period
- Unused credit accrued from July 1, 2005, through December 31, 2005, may not be carried forward.
- Credit may not be claimed for expenditures for which a credit is claimed under RCW 82.04.4452 (High Technology Research and Development B&O Tax).
- Pre-approval is not required from the Department of Revenue to use the credit, but this affidavit must be filed when the credit is taken.
  - E-filers: Mail your signed affidavit to:  
Taxpayer Account Administration  
PO Box 47476  
Olympia, WA 98504-7476
  - Paper Filers: Attach this affidavit to your Department of Revenue Excise Tax Return. Don't forget to make a copy for your records.
- You must also file an annual report.

For tax assistance, visit [dor.wa.gov](http://dor.wa.gov) or call (360) 902-7175. To inquire about the availability of this form in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.