

North Carolina Department of Revenue

William S. Lee Tax Credits

Research and Development Processed during Calendar Year 2004

Taxpayer	Eligible Expenses (\$)	Gen'l Credits Generated (\$)	NC Portion of Fed Credit (\$)	Alternative Credits Generated (\$)
Tier 1				
ABB, Inc.	0	278,709	0	0
Avoca, Inc.	231,164	11,558	0	0
Bus-Tech, Inc.	1,206,912	60,346	0	0
Catapult Communications Corporation	3,749,820	187,491	0	0
Collins Aikman Fabrics, Inc.*	252,339,600	12,616,980	0	0
Collins Aikman Products Co.*	257,094,300	12,854,715	0	0
Crane Co.	0	8,446	0	0
Dana Corporation	0	80,850	0	0
Delta Consolidated Industries	98,192	4,910	0	0
Enovia Corp.	0	326,406	0	0
Hi-Tex, Inc.	353,675	17,684	0	0
Leviton Manufacturing Co., Inc.	423,300	21,165	0	0
Pacific Press Technologies, LP	54,660	2,733	0	0
Peopleclick, Inc.	1,164,328	58,216	0	0
Plastics Machinery, LP	1,033,101	51,655	0	0
Purolator Products Air Filtration	0	2,785	0	0
Railroad Friction Products Corporation	768,826	38,441	0	0
Shurtape Technologies, Inc.	623,378	31,169	0	0
STX, Inc.	83	4	0	0
Union Carbide Corporation	0	49,941	0	0
Weyerhaeuser Company	4,956,372	247,819	0	0
Wm. T. Burnett Co., Inc.	270	14	0	0
Wm. T. Burnett Management, Inc.	177	9	0	0
Wm. T. Burnett Operating, LLLP	17,662	856	0	0
Total Tier 1	\$524,115,820	\$26,952,902	\$0	\$0
Tier 2				
Aladdin Manufacturing Corp.	6,745	337	0	0
Atlantic Corporation of Wilmington	60,118	3,006	0	0
Broyhill Furniture Industries, Inc.	10,487	524	0	0
Drexel Heritage Furniture Industries, Inc.	16,779	839	0	0
Electrolux Home Products, Inc.	0	42,387	0	0
Graphic Packaging International, Inc.	130,547	6,527	0	0
Henredon Furniture Industries	367,439	18,372	0	0

Taxpayer	Eligible Expenses (\$)	Gen'l Credits Generated (\$)	NC Portion of Fed Credit (\$)	Alternative Credits Generated (\$)
Hoffer Flow Controls, Inc.	563,930	28,196	0	0
Miller Brewing Company	0	75	0	0
Total Tier 2	\$1,156,045	\$100,263	\$0	\$0
Tier 3				
Cross Sales and Engineering Company	164,898	8,245	0	0
Dana Corporation	0	177,352	0	0
Drexel Heritage Furniture Industries, Inc.	778,962	38,948	0	0
Eon Labs, Inc.	9,091,054	454,553	0	0
Gaston Systems, Inc.	183,982	9,199	0	0
Goerlich's, Inc.	509,182	25,459	0	0
Gratale, Peter	803	40	0	0
Hale Products, Inc.	125,162	6,258	0	0
Harris Corporation	0	0	526,360	131,590
Henredon Furniture Industries	2,073,401	103,670	0	0
Kidde Technologies, Inc.	0	0	28,773	7,193
McAfee, Inc.	23,382	1,169	0	0
Merck & Co., Inc.	0	0	38,045	9,511
Mount Olive Pickle Company	100	7,516	0	0
Pisgah Labs, Inc.	714,805	35,740	0	0
Red Valve Company, Inc.	99,428	4,971	0	0
S2 Yachts, Inc.	69,205	3,460	0	0
Tektone Sound And Signal Mfg., Inc.	0	0	13,488	3,372
Unifi Manufacturing, Inc.	93,507	4,675	0	0
Veritas Software Global Corporation	832,288	41,614	0	0
Veritas Software Technology Corporation	0	0	133,806	33,452
Total Tier 3	\$14,760,159	\$922,869	\$740,472	\$185,118
Tier 4				
Adams Wholesale Company	136,857	6,843	0	0
Altec, Inc.	196,390	9,820	0	0
Athol Manufacturing Corp.	437,213	21,861	0	0
Broyhill Furniture Industries, Inc.	503,194	25,160	0	0
Brunswick Corporation	676,758	33,838	0	0
BSH Home Appliances Corp.	0	0	47,031	11,758
Century Furniture Industries, Inc.	1,741,861	87,093	0	0
CKS Packaging, Inc.	1,350,093	67,505	0	0
Cytosol Ophthalmics-Lenoir, Inc.	130,572	6,529	0	0
Henredon Furniture Industries	280,769	14,038	0	0
Klaussner Furniture Industries	988,070	49,904	0	0
Leviton Manufacturing Co., Inc.	24,743	1,237	0	0
Moen Incorporated	2,476,273	123,813	0	0

Taxpayer	Eligible Expenses (\$)	Gen'l Credits Generated (\$)	NC Portion of Fed Credit (\$)	Alternative Credits Generated (\$)
Oliver Rubber Company	797,506	39,876	0	0
Polychem Alloy, Inc.	53,734	2,687	0	0
PPG Industries, Inc.	0	75,568	0	0
Thomasville Furniture Ind., Inc.	297,669	14,884	0	0
Total Fire Systems, Inc.	115,668	5,783	0	0
Weyerhaeuser Company	1,629,973	81,499	0	0
Wheatstone Corporation	426,547	21,327	0	0
Total Tier 4	\$12,263,890	\$689,265	\$47,031	\$11,758
Tier 5				
ADC DSI Systems, Inc.	2,095,326	104,766	0	0
Alcatel USA Gp, Inc.	0	0	2,475	619
Alcatel USA Sourcing, LP	0	0	247,476	61,869
Alcatel USA, LP, Inc.	0	0	245,001	61,250
Aldo Products Company, Inc.	119,110	5,956	0	0
Al-Fe Heat Treating-North Carolina, Inc.	22,056	1,103	0	0
Amarr Company	487,983	24,399	0	0
American Bioscience, Inc.	1,383,504	69,175	0	0
Analog Devices, Inc.	8,387,675	419,384	0	0
Apollo Chemical Company	199,639	9,982	0	0
Art.Com, Inc.	150,960	7,548	0	0
Ateb, Inc.	1,012,444	50,622	0	0
ATI Industrial Automation	340,855	17,043	0	0
Atlantic Corporation of Wilmington	80,855	4,043	0	0
Atmel Corporation	0	0	39,010	9,753
AVL Technologies, Inc.	386,570	19,329	0	0
Banner Pharmacaps, Inc.	979,378	48,969	0	0
BASF Corporation	0	0	242,382	60,596
Bates, E. Gaston	0	0	62	16
Bayer Corporation	15,603,936	780,197	0	0
Beacon Technologies	72,260	3,613	0	0
Becton Dickinson and Company	0	226,210	0	0
Biogen IDEC MA, Inc.	29,534	814,767	0	0
Biogen IDEC US Limited Partnership	2,959,713	147,986	0	0
Boisvert, Andre M.	0	0	952	238
Bonset America Corporation	298,316	14,916	0	0
C3-ilex, LLC	290,877	14,544	0	0
Camstar Systems, Inc.	39,962	1,998	0	0
Carrier Corporation	0	0	33,809	8,452
Centro, Inc.	111,917	5,596	0	0
Charlotte Pipe and Foundry Co.	2,438,505	121,925	0	0

Taxpayer	Eligible Expenses (\$)	Gen'l Credits Generated (\$)	NC Portion of Fed Credit (\$)	Alternative Credits Generated (\$)
Ciena Corporation	4,984,350	249,218	0	0
Clariant Corporation	488,748	24,437	0	0
Closure Medical Corporation	4,533,395	226,670	0	0
Commscope, Inc. of North Carolina	2,594,222	129,711	0	0
Coventor, Inc.	148,445	7,422	0	0
Cree, Inc.	13,389,956	669,498	0	0
Crispin Corporation	245,280	12,264	0	0
Cross Sales and Engineering Company	269,845	13,492	0	0
Danvil Management Systems, Inc.	50,776	2,539	0	0
Deere & Company	0	0	196,820	49,206
Digital Optics Corporation	1,544,003	77,200	0	0
Digital Recorders, Inc.	0	0	25,667	6,417
Dynisco Holdings, LLC	445,274	22,151	0	0
Dynogen Pharmaceuticals, Inc.	1,843,149	92,157	0	0
Eli Lilly And Company	9,035,204	451,760	0	0
EMC Corporation	0	0	362,491	90,623
Emporos Systems Corporation	409,835	20,492	0	0
Ericsson, Inc.	0	0	128,558	32,140
Extreme Networks, Inc.	2,070,777	103,539	0	0
Fiber Composites, LLC	2,082,361	104,118	0	0
Fiber Industries, Inc.	4,223,335	211,167	0	0
Filtration Group, Inc.	35,157	1,758	0	0
Flexcell International Corp.	189,227	9,461	0	0
Flow Sciences, Inc.	164,875	8,244	0	0
Frickhoeffler, Joel W.	0	0	270	68
General Dynamics Advanced Information	0	0	11,130	2,783
Global Software, Inc.	0	0	14,433	3,608
Goulston Technologies, Inc.	1,409,125	70,456	0	0
Harvey, Troy M.	17,320	866	0	0
Hatteras Networks, Inc.	3,048,270	152,414	0	0
Hayward Pool Products, Inc.	304,780	15,239	0	0
Henredon Furniture Industries	595,137	29,757	0	0
Hi-Tech Fuses, Inc.	88,756	4,438	0	0
IBM	0	0	10,661,912	2,665,478
Impact Technologies Group, Inc.	634,272	31,714	0	0
Inspire Pharmaceuticals, Inc.	7,566,759	378,338	0	0
Jack Henry Services, LP	384,409	19,220	0	0
Kewaunee Scientific Corp.	435,541	21,777	0	0
L B Plastics, Inc.	89,745	4,487	0	0
L&H Technologies, Inc.	912,530	45,627	0	0

Taxpayer	Eligible Expenses (\$)	Gen'l Credits Generated (\$)	NC Portion of Fed Credit (\$)	Alternative Credits Generated (\$)
Lance Manufacturing, LLC	310,304	15,515	0	0
Lane Industries, Inc.	25,996	1,300	0	0
Linear Technology Corporation	468,730	23,437	0	0
Lord Corporation	4,975,028	248,751	0	0
Lucent Technologies, Inc.	0	115,884	0	0
Marketech Systems, Inc.	150,725	7,536	0	0
Maxim Integrated Products, Inc.	122,132	6,107	0	0
Medtech, Inc.	102,399	5,120	0	0
Merix Bioscience	2,399,552	119,978	0	0
Misys Physician Systems, LLC	1,109,569	55,478	0	0
Monarch Knitting Machinery Corp.	1,375,652	68,783	0	0
Moreflex, Inc.	370,380	18,519	0	0
Mother Murphy's Laboratories	0	0	14,029	3,507
Nelson, Floyd J.	0	0	167	42
Nitronex Corporation	2,381,395	119,070	0	0
Nomaco, Inc.	0	0	11,369	2,842
Noonan, Mark	0	0	270	68
Nortel Networks, Inc.	15,539,212	776,961	0	0
Novartis Animal Health US, Inc.	0	0	20,843	5,211
Novartis Pharmaceuticals Corp.	0	0	1,290,491	322,623
Novovita, Inc.	2,099,667	10,483	0	0
Novozymes North America, Inc.	522,384	26,119	0	0
Nvidia Corporation	3,362,081	168,104	0	0
ONI Systems Corporation	2,295,001	114,750	0	0
Pfizer, Inc.	18,389,818	919,491	0	0
Phoenix Software International, Inc.	28,669	1,433	0	0
Pilling Weck Incorporated	606,839	30,342	0	0
Porta-Nails, Inc.	20,540	1,027	0	0
Prather, Edward C.	236,798	11,840	0	0
Precision Fabrics Group, Inc.	1,885,609	94,280	0	0
Preferred Medical Marketing Corp.	87,755	4,388	0	0
PSt Associates, LLC	23,000	677	0	0
Purolator Facet, Inc.	302,495	27,162	0	0
Raindrop Geomagic, Inc.	510,284	25,514	0	0
Red Hat, Inc.	1,940,087	97,004	0	0
Red Storm Entertainment, Inc.	1,574,331	78,717	0	0
Reichhold, Inc.	6,717,000	335,850	0	0
Relativity Technologies, Inc.	240,601	12,030	0	0
Rutland Plastic Technologies	316,135	15,807	0	0
SAS Institute, Inc.	0	0	4,286,920	1,071,730

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SBS Technologies, Inc.	0	0	46,653	11,663
Schaefer Systems International, Inc.	77,919	3,896	0	0
Schwarz Biosciences, Inc.	22,824,608	1,141,230	0	0
Sciquest, Inc.	586,206	29,310	0	0
Scott Technologies, Inc.	387,222	19,361	0	0
Sealy Technology, LLC	2,444,543	122,227	0	0
Silicon Semiconductor Corporation	883,971	44,199	0	0
Smithkline Beecham Corporation	48,189,105	2,409,455	0	0
Sony Ericsson Mobile Communications	13,435,262	671,763	0	0
Stella Nova Technologies, Inc.	114,025	5,701	0	0
Stockhausen, Inc.	1,059,369	52,968	0	0
Syncfusion, Inc.	271,762	13,588	0	0
Syngenta Biotechnology, Inc.	0	0	1,029,566	257,392
Syngenta Crop Protection, Inc.	0	0	601,186	150,297
Synopsys, Inc.	1,428,296	71,415	0	0
Tekelec	3,262,351	163,118	0	0
The Sherwin-Williams Company	134,019	6,701	0	0
The Steel Network, Inc.	126,294	6,315	0	0
Thomasville Furniture Ind., Inc.	311,665	15,584	0	0
TKC Holding Corp.	13,899	695	0	0
Togethersoft Corporation	12,137	607	0	0
Togethersoft Corporation	183,995	8,816	0	0
Toter, Incorporated	369,315	18,466	0	0
Transi, Inc.	958,141	47,907	0	0
Triangle Microsystems, Inc.	62,677	3,134	0	0
Triangle Pharmaceuticals, Inc.	9,324,586	466,229	0	0
Triangle Systems, Inc.	137,922	6,896	0	0
Troxler Electronic Laboratories, Inc.	767,049	38,352	0	0
Twin Visions, Inc.	0	0	6,824	1,706
Tyco Electronics Corporation	660,676	33,034	0	0
Tyco International (US), Inc.	264,081	13,204	0	0
Ultimus, Inc.	265,235	13,262	0	0
Unichem, Inc.	155,459	7,773	0	0
United States Surgical	225,580	11,279	0	0
US Greenfiber, LLC	1,221,175	61,059	0	0
Vector Research, LTD.	3,103,550	155,178	0	0
Velio Communications, Inc.	1,433,874	71,694	0	0
Venetica Corporation	759,199	37,960	0	0
Volvo Trucks North America, Inc.	7,508,965	375,448	0	0
Weld-On Adhesives, Inc.	186,848	9,342	0	0

Taxpayer	Eligible Expenses (\$)	Gen'l Credits Generated (\$)	NC Portion of Fed Credit (\$)	Alternative Credits Generated (\$)
Wilmington Machinery, Inc.	134,416	6,721	0	0
Wilmore Electronics Company, Inc.	277,234	13,862	0	0
Wilson-Cook Medical, Inc.	789,467	39,473	0	0
Ziptronix, Inc.	570,149	28,507	0	0
Total Tier 5	\$297,138,647	\$15,928,888	\$19,520,766	\$4,880,197
Grand Total	\$849,434,561	\$44,594,187	\$20,308,269	\$5,077,073

*Inspection of these taxpayers' returns indicates that mathematical errors resulted in a combined overstatement of credits generated by a total of \$25,216,978.

Source: Tax Research Division, Department of Revenue.

Notes: Information from taxpayer returns, including taxpayer errors and omissions, is shown as reported. All returns are subject to audit. Amounts for any one taxpayer may reflect credits generated in multiple years. Affiliated taxpayers are reported individually. Taxpayers who failed to identify their tier have been placed in the tier of their mailing address as reported to the Department of Revenue.