

4/30/2004

Research Credit Wage Issue Chart

Exhibit D

<u>Department</u>	<u>Pre-Clinical</u>	<u>Clinical</u>	<u>Post Clinical</u>
Biology	1		
Pharmacology	1		
Chemistry	1		
Drug Metabolism	1		
Pharma Development	1	1	
Analytical Chemistry	1	1	
Pharma Tech	1	1 & 2	
Drug Safety	1	1 & 2	
Biostatistics		1 & 2	1 & 2
Clinical R&D		1 & 2	1 & 2
Medical Services		2 & 3	2 & 3
Medical Affairs		2 & 3	2 & 3
Regulatory Affairs		4	4
Drug Surveillance		4	4

Where is the audit issue?

- 1 = Do the salaries above first line manager qualify?
- 2 = Do these activities constitute qualified research?
- 3 = Does the activity constitute direct support of qualified research?
- 4 = This activity probably does not constitute qualified research or qualified services.

This chart does not address all potential research credit issues. See the the Research Credit ATG for a more in-depth discussion of potential issues.