

$$\begin{aligned}
 & \left(\begin{array}{l} \text{Production additional section 263A} \\ \text{costs incurred during the test period} \end{array} + \begin{array}{l} \text{Residual pre-production additional section} \\ \text{263A costs incurred during the test period} \end{array} \right) \\
 & \left(\begin{array}{l} \text{Production section 471 costs} \\ \text{incurred during the test period} \end{array} + \begin{array}{l} \text{Direct materials adjustments made during} \\ \text{the test period} \end{array} \right) \\
 & = \frac{((\$200+350+450)+(60+136+220))}{((\$2,500+3,500+4,000)+(2,700+3,200+3,700))} = \frac{\$1,416}{\$19,600} = 7.22\%
 \end{aligned}$$