



TruePartnersSM
CONSULTING

Intelligent Tax Advice

Research Tax Credit Services — RTCS

Effectively Managing
Research Tax Credit Opportunities

www.TPCtax.com



Research Tax Credit Services

The Research Tax Credit was signed into Federal law in 1981 as an incentive to business America to retain and maintain a viable research community in the United States. Properly supported and documented, the Research Tax Credit can provide substantial savings of both Federal and state taxes.

With the success of the Federal and state research tax credits, taxing authorities have intensified their review of the credit's supporting documentation, their own internal policies and audit procedures. Many aspects of these new procedures are not supported by tax law or regulation, and are applied inconsistently by auditors; thus taxpayers are placed at the mercy of taxing authorities due to a lack of proper resources and experience to defend their research credit claims.

Research Tax Credit Services (RTCS) Purpose

Benefiting from our Big 4 backgrounds, we deliver the highest level of professional experience directly to our clients, meaning that experienced RTCS personnel are there “in the trenches” with you, our client, driving the best possible solutions and supportable outcomes. Each engagement is custom-fit to the specific needs of our client whereby we leverage and train client resources, and utilize clients' original documentation as much as possible to minimize unnecessary fees.

Our Promise

Is to provide the highest caliber of service to our clients to meet their unique needs such that they receive an accurate research credit computation and support, with the best possible IRS ready deliverable that addresses the IRS' past and current “hot” items, ensuring that the client is fully prepared, and the deliverable is in the proper framework to effectively manage an IRS or other taxing authority audit.

Industries

Virtually every business performs qualified research activities. Many companies do not take advantage of the Research Tax Credit because the practical definition of a research activity differs from that of the tax definition. The RTCS Team has helped clients in various industries realize the true potential of their Research Tax Credits, including:

High Tech	Software, Hardware, Semiconductor, Telecommunications, Aerospace
Pharmaceutical / Bio-Tech	Drugs (Generic, Orphan, etc.), Medical Devices (Multi-Use / One-Use), Cloning
Manufacturing	Textiles, Building Products, Auto, Lumber, Heavy Machinery, Concrete, Ship Building
Food Growth & Process	Growth, Harvest, Refrigeration Storage, Preparation, Packaging, Distillation, Process, FDA Concerns
Packaging	Boxes & Materials, Packaging, Containers, One-Use Medical Devices
Process	Data Management, Security, Production Volume Increases,
Civil Engineering	Bridges, Buildings, Roadways, Power Plants

Examples & Contacts

Example of Traditional Qualified Research Activity

A large manufacturer / retailer creates a new multi-media device, qualified research activities include, but are not limited to:

- Planning, design and testing of new capabilities, media interface,
- Identifying hardware and software specifications,
- Meeting power usage and heat generation requirements,
- Component system implementation and testing,
- Verification of successful manufacturing process and final product testing.

Example of Non-Traditional Qualified Research Activity

A cardboard box manufacturer provides its own raw materials and specialty applications of its packaging technologies, qualified research activities include, but are not limited to:

- New processes to produce stronger and lighter packaging materials,
- New strength packaging for cargo / transport,
- Chemical adhesion processes for historically incompatible materials,
- Development of new materials for packaging,
- Continual process improvement for greater product output.

Research Tax Credit Services (RCTS) Team Leader

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Energy Tax Provisions

- Extension of §45 Renewable Electricity Production Credit (wind, biomass, geothermal energy, municipal solid waste, etc.),
- Option to claim energy property under §48 Investment Tax Credit in place of §45 Production Credit,
- Option to elect energy grants in place of §45 Electricity Product Credit,
- Repeal cap applicable to §48 Small Wind Property Business Energy Credit,
- Eliminate the energy credit reduction of property basis for subsidized energy financing under §48,
- Carbon Dioxide Sequestration Credit modified to require permanent geological storage of gas,
- New 30% credit for investment in qualified property used in a qualified advanced energy manufacturing project,
- Authorize additional Clean Renewable Energy Bonds,
- Authorize additional Qualified Energy Conservation Bonds,
- Increase in Alternative Fuel Vehicle Refueling Property Credit,
- New 10% nonrefundable personal credit for qualifying plug-in motor vehicles.

Visit our website for complete details and dedicated teams.

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