

R&D Credits for Marine Manufacturers

A marine manufacturing company claimed the Research & Development (“R&D”) tax credit to offset income taxes. They received a \$1,602,845 dollar-for-dollar offset against taxes paid, resulting in a 676% return on their investment.

How Cherry Bekaert Made a Difference

A marine manufacturing company based in South Carolina approached Cherry Bekaert Credits & Accounting Methods Team (“C/AM team”) about maximizing their R&D credit.

The company is focused on developing bay boats, dual consoles and center consoles in the 18 to 36 foot range. They have been an industry leader since beginning operations in 1995.

The company incurred significant costs around payroll and supply expenses in the development of new or improved models. In 2018, the C/AM team provided the company a complimentary scope for the 2015-2018 tax years. The scope estimated that the manufacturer was entitled to an impressive \$1,535,444 credit.

Once the project began, the C/AM team went on site and discovered additional costs around prototype models and third party contractors. The C/AM team was able to expand the tax benefits to \$1,602,845 (676% ROI). At the conclusion of the study, the C/AM team returned to the client site to review the deliverable and explain the benefits further. The C/AM team also assisted with amending the tax returns to claim the credit on filed returns. Finally, the C/AM team provided the client with a process map to help the company maximize the R&D credit in future years.

If your company engaged in qualified research activities for the last several years, you may be eligible to claim R&D tax credits. Cherry Bekaert can help you gain cash refunds from previously unclaimed credit.

For more info, contact:



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About Cherry Bekaert

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