

# R&D Credits for Manufacturers

**A building materials manufacturer claimed the Research & Development ("R&D") tax credit to offset the company's tax liability. They received a \$225,496 dollar-for-dollar offset against taxes paid, resulting in a 501% return on their investment.**

## How Cherry Bekaert Made a Difference

A building materials manufacturer based in New York City approached Cherry Bekaert's Credits & Accounting Methods Team ("C/AM") team about maximizing their R&D credit.

Since 2006, the company has been a leader in the design of quality mosaic tiles and a range of unique building products. They have also invested a significant amount of time and money developing proprietary software solutions to better serve their customers.

In the pursuit of developing new and improved products and software, the company incurred significant costs around payroll and contractor expenses. The federal R&D tax credit can be utilized as a dollar-for-dollar offset of a company's tax liability.

The client will be able to fully utilize the \$225,496 in tax credits to offset their tax liabilities due, which will create an instant cash benefit for the company. In addition, they can continue to claim the R&D tax credit in future years which will provide additional cash savings moving forward.

The C/AM team offered the manufacturer a complimentary scope for the 2015-2018 tax years. The scope estimated that the startup was entitled to an impressive \$183,870 credit. Once the project began, the C/AM team went on site and discovered even more qualified expenses, expanding the tax benefits to a staggering \$225,496 (501% ROI).

At the conclusion of the study, the C/AM team walked the client through the results of the study. The CFO stated he was very pleased with the results, our services, communication, response time and looked forward to working with us again in the future.

**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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