



# Research and development tax credits

Manufacturing and  
Distribution

## Getting manufacturers the credit they deserve

There's a good chance your company can claim research and development (R&D) tax credits for things you're already doing every day. The federal government provides cash incentives for manufacturers that conduct R&D in the United States, and many states also offer incentives.

The Wipfli team not only specializes in manufacturing but also has deep knowledge of federal and state R&D tax credits. We know where to look for activities that qualify, and we know how to get it done with a minimally intrusive process.

## No lab coats necessary

The good news is that definitions of R&D activities have broadened, and manufacturers of all sizes and types may qualify. This means any manufacturer that designs, develops or improves products, processes, techniques, formulas, inventions or software may be eligible.

If your company does any of these activities, you may qualify for and benefit from the R&D tax credit:

- Design or manufacture products
- Produce parts to customer part prints or specifications
- Custom-design new or improved existing manufacturing processes
- Develop semi- or full automation for use in operations
- Design tools, fixtures, jogs, molds or dies
- Develop or apply for patents
- Develop software

**WIPFLI**

# Helping manufacturers save millions

With Wipfli on your side, you can fully leverage the R&D tax credit and gain cash flow and financial reporting benefits.

## Are you eligible for the R&D tax credit?

We're blasting the myths surrounding the R&D tax credit. It's not only for very large companies with big research departments and impressive patents. Nor does it apply only to involved, intensive and long-term product development activities.

Under the current rules, more of your activities may qualify for the credit, or you may be able to claim more of the credit to offset your tax liability. Let Wipfli's manufacturing and tax professionals help you determine which activities qualify, calculate your tax credit and apply for the federal credit and any applicable state credits.

## Feel confident when you file

Phone conversations can miss opportunities. Wipfli prefers to visit your facility to efficiently but thoroughly identify qualifying activities. We also conduct an annual review of your project documentation to see if there are any changes we would recommend in response to the current audit environment — so you can feel confident in your tax credit filings.

## Let's get started

Contact us to discover where R&D tax credit opportunities could be hiding in your business. A no-obligation, no-upfront-cost feasibility analysis can help you determine what your next move should be. [wipfli.com/manufacturing](https://wipfli.com/manufacturing)

## Enjoy long-term benefits

An R&D tax credit can be an immediate source of cash flow — and it can reduce your current-year tax liability. Expenditures that qualify for the tax credit include:

- Taxable wages paid to employees who conduct, immediately supervise or directly support qualified research.
- Amounts paid for supplies used in qualifying research.
- 65% of the amount paid or incurred by you to any person, other than your employees, for qualified research.

You can also “look back” to all open tax years — typically three years plus the current year — for potential R&D credits that were never claimed.