

Your Guide Forward

R&D Credits for Marine Manufacturers

A marine manufacturing company claimed the 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**.

Client Profile



Charleston, SC



Marine Manufacturer



461 Employees



\$64M Annual Revenue

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. The company began operations in 1995 and has been an industry leader for bay boats, dual consoles, and center con-soles ever since.

The company had incurred significant costs around payroll and supply expenses in the development of new or im-proved models. In late 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 con-clusion of the study, the C/AM team went to the client site to review the deliverable and explain the benefits fur-ther. 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.



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