

R&D Credits for Life Sciences Industry

A life sciences company claimed the Research & Development (“R&D”) tax credit to offset income taxes. They received an \$111,379 dollar-for-dollar offset against taxes paid, resulting in a 790% return on their investment.

How Cherry Bekaert Made a Difference

A life sciences company based in Miami, Florida, approached Cherry Bekaert’s Credits & Accounting Methods (“C/AM”) team about maximizing their R&D credit.

The company focused its R&D efforts around the development of proprietary laboratory equipment and medical devices. These devices had been refined over a number of years, and the company was considered to be industry leaders for specific medical treatment plan testing.

The company had incurred significant costs around payroll, prototype costs, and third party contracts in the development of its laboratory equipment and medical devices.

In early 2019, the C/AM team offered the company a complimentary scope for the 2015-2018 tax years. The scope estimated that the startup was entitled to an impressive \$97,713 credit.

Once the project began, the C/AM team went on site and discovered additional costs relating to prototype equipment. The team was able to expand the tax benefits to \$111,379 (790% ROI). At the conclusion of the study, the C/AM team went to the client site to review the deliverable, explain the benefits, and assist with amending the tax returns to claim the credit on filed returns. Finally, the C/AM team provided the client with a process map forward 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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