

The **TRUTH** about R&D tax credits:

It doesn't take a rocket scientist

When you hear the phrase "research and development," what do you picture? While it might bring to mind lab coats and test tubes, R&D also includes the steps your business takes to develop or improve business components. And with recent changes that extend federal and state tax credit opportunities for R&D, you may have more funding to do so.

Every year, more than **100,000** U.S. taxpayers claim over **\$12 billion** in federal R&D tax credits

To count as R&D qualified research, **80%** of activities must be "elements of the experimentation process that relate to a qualified purpose"

Expenses that **QUALIFY** for the R&D credit:



Wages



Supplies



Computer rents/leases



Contract research

Qualified small businesses can offset up to **\$250K** of their payroll tax liability by using **federal R&D credits**

43%

In a recent webinar poll, **43%** of businesses

say they're already claiming their R&D credit.

Are you?

Regardless of size or industry — and whether there's a team of scientists back in the lab — there's a good chance your company is performing R&D.

To start claiming R&D tax credits, contact your local ADP sales representative.