

Your R&D Qualification Checklist



You may qualify for the R&D Tax Credit if you can answer yes to any of these questions:

Does your company design, develop, or improve products, processes, systems or software?

Does your business manufacture products?

Do you utilize a process that combines two or more technologies in a unique way?

Have you started a new processes or techniques recently?

Do you develop software as part of your product?

Have you had to adapt any existing technology for a new purpose?

Have you had to re-design any legacy products to meet new standards?

Have you made any adjustments to existing products to improve performance or efficiency?

Yes	No

Qualifying vs. Non-Qualifying Activities

Qualifying	Non-Qualifying
Software Development	Quality Control after Commercial Development
New Product Development	Duplication of Existing Business Component
Prototype Testing	Computer Software Development for Internal Use
Design Build Work	Foreign Research
New Integration of Existing Technologies	Management Activities
Process Improvements	Settled Engineering
Redesign and Improvement of Legacy Products	Cosmetic or Stylistic Development for Consumer Taste

Our R&D Process

When you select a R&D Tax Credit partner, you want to be sure you work with a firm that invests time into learning about your business – what matters to you – and helps you understand your tax credits. That’s why, at Anglin Reichmann Armstrong, we put you first and offer client-focused service tailored to your needs.

Scalable Service

We work with you to provide the level of service you want, whether you need a more detailed approach or you want us to handle it all while simply keeping you informed. No matter what your needs are during the tax credit process, with our team you have access to R&D Tax Credit advisors when you need them throughout the year.

It begins with meeting you and understanding your organization. We follow that up with a feasibility study to determine what activities you perform that qualify for R&D tax credits. As an important part of the process, this study helps you decide how to move forward with a clear business and tax planning strategy.

Technical Expertise

We stay up-to-date on case law and rulings and how this impacts your company and the tax credits you apply for. Not only that, but because we are a CPA firm, we also understand how your tax credits translate to your tax return and how you need to track your expenses to qualify for these credits.

Client Service Focus

Our R&D Tax Credit process is fully customizable, and you can tailor it based on what you need. You will know the status of your R&D Tax Credit studies at all times. You receive the communication you need – but not too much. We know your time is valuable, and so we do our best to get all the information we need up front. We don’t have to disrupt your days with questions or asking for clarification.

Upon completion of the study, you receive a report that is comprehensive, breaking down the credit in a way you can understand and providing you with information about your qualifying activities. This allows you to reference your tax credit information in an understandable way throughout the year and to target your tax credits and approach in following years.

Wholistic Approach

We teach you how to identify areas in your business that qualify for the R&D Tax Credit. We will help you understand how to track your R&D activities and expenses and improve your financials for a more efficient R&D process each year. Additionally, we help you understand how to look for areas that could qualify for a tax credit. Because we are CPAs, we can advise you on how your tax credits affect your tax return and how you need to track expenses to apply them properly to your tax credit.

We are invested in your success, which is why we are willing to inform and mentor you to understand the R&D process as well as we do.

True Tales of R&D Tax Credit Success

IT and Software Client

Anglin was handling the personal tax planning and return for the president of this corporation. Upon the president's request, we reviewed R&D credits claimed for the corporation through another CPA firm. Our team conducted research and consulted with professionals through CPAmerica/Crowe, determining that half of the contracts claiming R&D credits were risky due to issues currently contested in tax courts. Presenting our findings to the client, we outlined their previous method for claiming credits and our recommended method. We provided clear tax court precedent for taking a more conservative approach, but one that still provided for significant R&D credits to manage the company's tax impact.

The president and other owners reviewed the information and noted their appreciation for the thorough analysis and education on their potential credits. They became our first R&D credit client years ago. We have helped the company develop an internal team for identifying and documenting potential areas for future R&D credits based on our regular education roundtables and consulting. This approach saves them time and money on their annual studies and tax returns, but it also gives them confidence and pride in the value of their company's solutions and innovation.

Energy Products Manufacturing Client

This is one of our best clients today, and the relationship started with a discussion around R&D credits. The manufacturing company was working with a small firm that often required a tax return extension in order to complete the credit study each year. The president of the company knew Anglin through a former employee who now works with us in the R&D credit group. Through in-depth conversations and interviews with the leadership team and the technical experts, we reviewed past data and returns – identifying contracts that did not qualify or were a risk as well as contracts that were a clear go.

We presented our findings to the CFO and president by listing each contract under a "red," "yellow," or "green" color code. Walking through each contract, we identified the risks, but also broke down each contract by the credit, percentage of employee and category of employee. The total credit that year was actually higher than in previous years due to the thoroughness of the study. At the end of the education day, the company was more aware of how their employees contributed specifically to research and development, and they were more confident in the credits they claimed. As a result of the first year's study, Anglin was later awarded the client's tax, audit and advisory work. We provide full service as a trusted advisor within and beyond R&D services. Their technical team is well versed in the R&D credit four-part test, and they partner with us each year on their study and tax conversations.

What Our Clients Say



I don't ever recall a time we needed them and they haven't been there. They have a tremendous ability to respond quickly and to ensure we have the resources we need. We are definitely not their largest client but they treat us as if we are. Not only are they professional and maintain the highest ethical standards, but they are fun to work with.



~ **Sandra Cepeda,**

President and CEO of Cepeda Systems & Software Analysis, Inc., client since 2009



The Anglin Reichmann Armstrong team has always gone above and beyond in all the years we have worked with them. They provide us with invaluable business guidance, even when we throw complicated questions their way. They find the answer and they are very timely about it, even when it requires extra effort or research on their part. They truly care about their clients and show it in every interaction.



~ **Michael Speigle,**

Controller of HudsonAlpha Institute for Biotechnology, client since 2013



CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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