

Innovation is results-driven. Your tax credit plan should be no different.

Your roadmap to R&D tax credits

There are multiple landmarks to claiming R&D tax credits and we're your GPS to navigate to them. Let's follow the route of a successful credit recovery journey every business should explore, from TODAY to TOMORROW.

R&D HIGHWAY



Today



1. Eligibility station

Determine if your business activities meet the criteria for R&D tax credits. With your CPA travel planner, identify eligible R&D business components for the credit in base years. This includes activities related to the development or improvement of products or processes, software development, formulations, techniques, inventions and experimentation to overcome technical uncertainties.



2. Paper trail

Document R&D expenses for the credit in base years, identifying all domestic costs. Keep records of all costs associated with R&D activities, including wages, supplies and contractor expenses.



3. Nexus center

Develop a clear connection between qualified business components and qualified R&D expenses. This can be done retroactively using estimates by people familiar with the activity or those supervising them.

When you partner with ADP®, you save:

- Time
- Money
- Worry

So sit back and enjoy the ride!



4. 2nd Street

Identify and assess any ancillary issues with R&D (funded research, control groups, utilization, acquisition/dispositions, etc.).



5. R&D toll booth

Calculate the amount of credit your business may be eligible for. You should consider the expenses incurred and the percentage of those expenses that are considered R&D activities. Just use us as your E-Z Pass to do the calculations so you can get back on the road.



6. Claim depot

Now that you've gotten this far, you'll next need to file a claim or revise the claimed credit on the appropriate tax return using the required forms and documentation. If you've planned well, your AI-enabled pit crew can do all the fine tuning for you.



7. Organization way

Stay organized by keeping accurate and organized records and contemporaneous technical docs of R&D activities and expenses for future reference and to support future claims. Let your CPA co-pilot take the wheel from here.



8. Express lane

Let experts and advanced technology help coordinate your efforts so you can arrive at your destination safely — and with little to no effort.



9. Hidden roadside gems

Embrace roadside attractions and explore related tax credits you may also be qualified for. Once you are confident you have a clear path to R&D credit recovery, don't be afraid of exploring local and regional tax credits and incentives that further capitalizes on your AI-supported payroll data.



10. Innovation expressway

Focus on innovation. Now that you're comfortable with hands-free driving, you can keep your vision focused on the parts of your journey that matter most, since your innovation engine will continue to be aligned with your credit recovery GPS coordinates.



INNOVATION



Tomorrow

We got this. If you haven't already, contact us to talk about how to map out your investment in innovation — and leave the driving to us.

In fact, avoid anything that could go wrong along the way by consulting us to make sure your journey is fueled by the support of ADP's expert R&D tax credit GPS recovery guidance. This way, all your compliance journey milestones can be reached with confidence, on time and safely.

For more information, visit adp.com/taxcredits