

R&D TAX CREDITS: TOOL & DIE CASTING



GET TAX CREDITS FOR YOUR RESEARCH

Refunds are available for companies performing research within the Tool & Die Casting Industry. The research credit provides dollar-for-dollar cash savings each year for companies performing activities related to the development of new or improved products and processes. These benefits could provide much needed cash to hire additional employees, increase R&D, expand production facilities, etc.



Many companies involved with tool & die casting are unaware that their efforts within designing and developing their products can yield a large amount of research credits. Examples of R&D activities related to the industry as well as potentially qualifying job titles are listed below.

EXAMPLES OF QUALIFYING R&D ACTIVITIES

- Automating machining processes to optimize die casting times as well as reduce labor costs
- Designing, developing, and testing prototypes
- Developing operational efficiencies with the molding process
- Developing safety measures within the tool & die casting process
- Drafting new parts on computer-aided design (CAD) programs to model product specifications and functionalities
- Improving machining processes to ensure consistency among products
- Testing alternative or new raw materials to work with to improve product performance and useful life

POTENTIALLY QUALIFYING R&D JOB TITLES

- Design Engineer
- Die Cast Engineer
- Computer Numerically Controlled (CNC) Programmers
- Mechanical Engineer
- Manufacturing Engineer
- Process Engineer
- Quality Engineer

AMT OFFSET

For tax years beginning after December 31, 2015, eligible small businesses (those with \$50 million or less of gross receipts) may claim the research credit against AMT liability.

UP TO \$500,000 IN PAYROLL TAX

Qualified start-up companies may elect to use up to \$500,000 of the research credit against payroll taxes. Treasury Regulations have substantially broadened the range of taxpayers who are eligible for the credit. Start-ups to publicly traded businesses who were previously unable to realize a benefit from this lucrative tax credit should reassess their eligibility.

ABOUT KBKG

KBKG is a national firm specializing in R&D Tax Credits, Cost Segregation, 45L Tax Credits, 179D Tax Deductions, Transfer Pricing, and other specialty tax incentives. Our engineers and tax experts have performed thousands of tax projects for clients, saving them hundreds of millions of dollars since 1999. As leading educators in our field, we have been invited to speak to thousands of CPAs and tax professionals by the most prominent associations in the industry.

GET MORE INFORMATION

KBKG can quickly review your situation to determine if there is an opportunity. To see if you qualify, call us today or visit our website at KBKG.com/qualify for more information.

CASE STUDY

DEVELOPER OF TOOL & DIE CASTING PRODUCTS AND PROCESSES

Annual Revenue: \$5 Million

RESULTS:

\$125,000

In Federal & State R&D Tax Credits