

# R&D TAX CREDITS: WINERIES & VINEYARDS



## GET TAX CREDITS FOR YOUR RESEARCH

Refunds are available for companies performing research within the Winery & Vineyard 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 wineries & vineyards 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 RELATED TO THE DEVELOPMENT OF NEW OR IMPROVED:

- Bottling, corking, and packaging processes
- Filtration and fermentation techniques
- Grape strains to achieve desired flavor or aroma profiles
- Irrigation systems
- Mixing techniques
- Organic ingredients, supplements, and nutrients
- Packaging designs to ensure shelf life longevity
- Preservatives to extend shelf life
- Product prototype batches to ensure manufacturability
- Quality assurance testing processes
- Recycling and waste management techniques
- Soil and rootstock processes
- Sustainable energy efforts
- Wine formulations

### POTENTIALLY QUALIFYING R&D JOB TITLES

- Assistant Winemaker
- Bottling Line Supervisor
- Bottling Line Worker
- Cellar Master
- Cellar Worker
- Director of Winemaking & Production
- Enologist
- Lab Assistant
- Lab Manager
- Production Operations Manager
- Project Engineering Manager
- Winemaker

### 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](http://KBKG.com/qualify) for more information.

## CASE STUDY

### DEVELOPER OF WINERY & VINEYARD PRODUCTS AND PROCESSES

Annual Revenue: \$30 Million

### RESULTS:

# \$250,000

In Federal & State R&D Tax Credits