



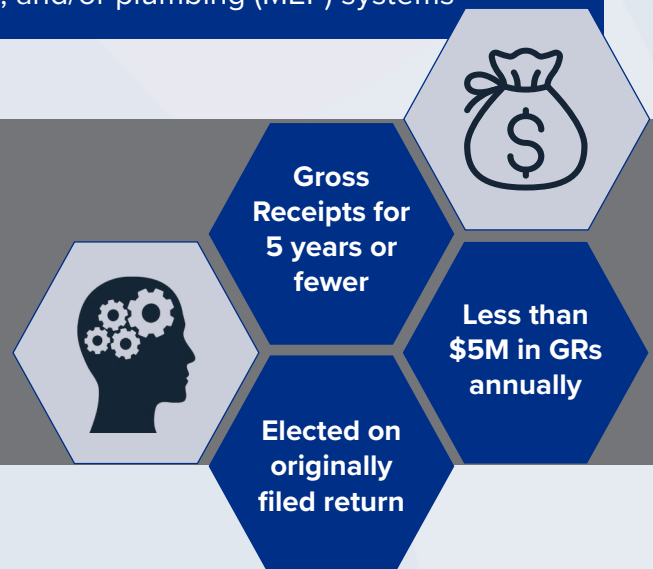
# R&D Tax Credit for Construction

The Credit for Increasing Research Activities (IRC Section 41) or the R&D Tax Credit, as it is more commonly known, has been around since 1981. While the methodologies for calculating and documenting the credit have evolved through the years, the R&D Tax Credit remains a great benefit to the taxpayers that are eligible for this incentive. With the PATH Act of 2015 making the R&D Tax Credit permanent and enabling eligible start-up companies to off-set payroll taxes, some taxpayers do not even have to be in a taxable position to benefit from the credit!

## Example Qualifying R&D Credit Activities for Construction

- » Evaluation of designs provided by architects or engineers for constructability and identification of potential design improvements during estimating
- » Evaluation of alternative materials to improve designs or meet specific project requirements
- » Developing new or improving existing designs to achieve Leadership in Energy and Environmental Design (LEED) and green building initiatives
- » Evaluation of engineering and construction methods to improve performance, reliability, quality, or function
- » Design and engineering of unique material transfer or construction systems to accommodate space restrictions on site
- » Design and engineering of temporary support structures used during project implementation
- » Geotechnical and environmental analyses to evaluate land suitability and to serve as a design input
- » Redesigning / retrofitting antiquated structures with modern, energy-efficient systems
- » Testing and commissioning of mechanical, electrical, and/or plumbing (MEP) systems

New businesses and start-up companies may be eligible to apply the R&D Tax Credit against their payroll taxes for up to five years. Eligible companies can claim a payroll-tax offset of up to \$500,000 annually.



If you'd like more information or if you have any questions, please contact a member of the R&D team:  
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