

Research & Development Tax Credit

As the CFO or top financial executive, you are called upon daily to effectively manage the use of capital by your organization. We find that an area that can provide enormous benefit is the most often overlooked -- that is, reducing current taxes and securing a refund of previously paid taxes. Leaving you more cash to invest in your business.

At SMART DEVINE we are specialists in investigating Research and Development Tax Credits. Many organizations claim less benefit than they are entitled to or, even worse, believe that they do not qualify because their main business is not research and development. In addition, many states have enacted generous credit programs, some of which are refundable even if you have not paid taxes. Why miss out?

The Opportunity

Over the past few years, legislative changes have expanded the opportunity for many industries to qualify and claim the research credit. Through the research credit, the federal and many state governments are providing subsidies for your investment in a product or a process to remain competitive.

What Types of Activities Qualify?

- Investing in resources for new products or for improving products.
- Investing to develop new or improved manufacturing or service processes.
- Attempting to improve manufacturing efficiency, reduce scrap and implement techniques such as "Lean," "Green" and "Kan-Ban."
- Existing or Patents Pending.

How Can the Credit Benefit Your Company?

- Can provide a source of capital through significant cash refunds of previously paid federal and state taxes.
- Can reduce your current tax expense, freeing up capital for investment in business, product development and reduction of debt.
- State governments have enacted generous credit programs to attract world class business. Many of these state credits are refundable regardless of whether taxes were paid or not. Additionally, some credits have the ability to be sold.



"Proven track record helping organizations manage their R&D tax credits."

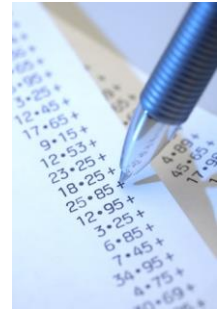
Why Smart Devine

- You only get the "A" team. We have walked through more than 2,000 factories and know how to dig deep for defensible opportunities that will stand up to audit.
- Working with us involves no cost or risk to you. We take an hour of your time to see if there is an opportunity. If we believe there is, we will ask for some further information, prior to sending you a proposal. Only then do we ask for a fee, and only if we believe we can save you at least 3 times our fee.
- We can work with your existing professional service provider to maximize your federal and state benefits. We are not looking to replace them. Just supplement their activities with our specialized expertise.
- As necessary, our professionals are trained to provide back-end audit defense.

R&D Credit Success Stories

Some Industries Which Have Benefited

- Aerospace and Defense Contractors
- Architecture, Design and Engineering Service Firms
- Automotive Products
- Consumer Products
- Financial Services
- Food Processing
- Furniture Manufacturers
- Life Science
- Metal Processing Industries
- Nutraceuticals
- Packaging
- Pharmaceuticals
- Plastic Manufacturing
- Software Development
- Specialty Heavy Industry Manufacturing
- Technology Start-up Companies



A broad range of industries have benefited from the R&D tax credit. The following are examples of firms that have benefited from an R&D credit evaluation:

Financial Services

- \$75M Bank – Saved over \$150,000
- \$400M Financial services firm – Saved over \$750,000
- \$150M Specialty service bank – Saved over \$200,000

Consumer Products and General Manufacturing

- \$75M Food manufacturing company – Saved over \$700,000
- \$50M Bakery – Saved over \$150,000
- \$15M Specialty game manufacturing – Saved over \$75,000
- \$35M Consumer product design firm – Saved over \$350,000

Architecture, Design and Engineering Service Firms

- \$400M Architectural service firm – Saved over \$400,000
- \$75M Engineering service firm – Saved over \$1.2M

Pharmaceutical and Life Sciences

- \$30M Nutraceutical development and manufacturing company – Saved over \$125,000
- Start up Pharma company – Saved over \$200,000
- Start up in Pharma basic research – Saved over \$300,000 in refundable state of NY Qualified Emerging
- Technology Credits
- \$10M Biomedical device manufacturer – Saved over \$700,000

Software Development

- \$12M software content designer and developer – Saved over \$1.5M
- \$25M software content designer – Saved over \$350,000
- \$75M specialty software content developer – Saved over \$1.2M
- VC backed software content developer – Saved over \$500,000

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