

The Miller Group.

Resource Information Xchange, llc

Federal and State Tax Specialists

Research and Development Tax Incentives in the Paper and Forest Products Industry.

Is your company fully aware of the opportunities that are waiting to be claimed through the Research and Development Tax Incentives?



- Every successful company is eligible for the Research Tax Credit of some amount. This is especially true for companies with increasing revenue and expanding markets.
- Many common business innovations meet the qualifications standards of IRC § 41 and are eligible for the Research Tax Credit. Creating new products, developing processes, implementing new improved manufacturing methods and writing software for internal use are just a few of the expenses that would qualify for the R&D Tax Credit.
- Federal tax credits provide permanent benefits to drive down tax rates & generate cash flow. You may also be eligible for state and global incentives, depending on where activities are being performed.
- It is essential that companies examine their Research Tax Credit potential as soon as possible to avoid losing dollars from previous tax years.
- Valuable Planning Opportunities exist that maximize the R&D Tax Credit potential in the future. The Miller Group's Research Tax Credit Specialists are here to provide the help you need.

CALL THE MILLER GROUP TODAY FOR A FREE CONSULTATION AT 206.855.1700

Research and Development Tax Incentives for the Paper and Forest Products Industry.

Your Opportunity: Research & development (R&D) is critical to the paper and forest products industry. Market forces demand efficient harvesting and mill production, resource sustainability, product enhancements, regional use of variable raw materials, and environmental remediation.

Examples of initiatives that may be eligible for R&D tax incentives include:

- Developing new or improved paper grades, packaging materials or wood products
- Implementing new technology to increase pulp yield, reduce waste, byproducts or environmental impact or to comply with EPA rules
- Experimental production runs before commercial release of a new or improved product
- Developing new technology or techniques for manufacturing operations

Reformulating raw materials with different compositions production engineering at the mill or plant often includes product development, enhanced raw materials and environmental remediation.

For example, it is often necessary to determine if a new production process can scale up to a commercially viable level. While these activities may qualify for the R&D tax credit, it is difficult to allocate labor and contractor costs to qualified activities.

Determining the cost of R&D is often difficult, as few companies have a project accounting system that captures many of the costs for support provided by personnel who collaborate on R&D. The typical project tracking system does not include all contractor fees, director support and salaried personnel who participate in the research effort.

For example, personnel on new product launch teams who participate in specifying in prototype development and testing may include marketing, regulatory affairs, product safety and evaluation, micro-biology, clinical supplies, chemistry management, packaging technology, manufacturing, instrumentation and even sales.

The Miller Group Approach: The Miller Group is exclusively dedicated to R&D tax issues and specialize in particular industries, including the paper & forest products industry. Our focus provides us with an unusual depth of experience. We also work in an efficient and nonintrusive manner so that you can stay focused on business.

R&D Tax Credit Projects: Introductory tax credit potential analysis studies may be performed, but are often unnecessary. In a full project, The Miller Group performs extensive field work, collect supporting records and create comprehensive documentation to support maximum, durable tax filings. We provide support under review by IRS or State tax authorities.

Our goal is to provide the maximum allowable tax credits with the minimum impact on critical day to day operations. Our approach establishes a process that your tax function can replicate and use to reduce future tax compliance costs and burden (see RIX Technology).

We Offer: Extensive experience providing services to privately owned companies as well as Fortune 500 companies.

Deep technical knowledge in this complex area. RIX Technology. A proprietary (patent pending) software product for tax credit documentation approved by the IRS.

Please call us for a free consultation at 206.855.1700.