

# CHORTEK & GOTTSCHALK, LLP

## R&D Tax Credit – Case Studies

### Case Study #1

#### Background Information:

Liquid paint manufacturer with annual sales of approximately \$27 million.

#### R&D tax credits claimed:

	Year							Total
	2000	2001	2002	2003	2004	2005	2006	
Federal	\$98,000	\$79,000	\$84,000	\$91,000	\$86,000	\$101,000	\$99,000	\$638,000
State	30,000	36,000	0	0	0	0	0	66,000
Total	\$128,000	\$115,000	\$84,000	\$91,000	\$86,000	\$101,000	\$99,000	\$704,000

### Case Study #2

#### Background Information:

Company provides non-destructive testing services with annual sales of approximately \$3 million.

#### R&D tax credits claimed:

	Year							Total
	2000	2001	2002	2003	2004	2005	2006	
Federal	\$23,000	\$25,000	\$30,000	\$29,000	\$30,000	\$9,000	\$3,500	\$149,500
State	9,000	9,000	7,000	7,000	10,000	10,000	1,000	53,000
Total	\$32,000	\$34,000	\$37,000	\$36,000	\$40,000	\$19,000	\$4,500	\$202,500

### Case Study #3

#### Background Information:

Remanufacturer of laser toner cartridges with annual sales of approximately \$11 million.

#### R&D tax credits claimed:

	Year							Total
	2000	2001	2002	2003	2004	2005	2006	
Federal	\$20,000	\$25,000	\$28,000	\$30,000	\$12,000	\$26,000	\$26,000	\$167,000
State	0	0	0	0	0	0	0	0
Total	\$20,000	\$25,000	\$28,000	\$30,000	\$12,000	\$26,000	\$26,000	\$167,000

Note: Entity is a Wisconsin S-corporation therefore no State credit is allowed.