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# Is Your Construction Company Eligible for R&D Tax Credits?

CONSTRUCTION, TAX  
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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. And 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 can take advantage of this incentive. With the PATH Act of 2015 making the R&D Tax Credit permanent and enabling eligible start-up companies to offset payroll taxes, some taxpayers do not even have to be in a taxable position to benefit from the credit immediately!

While the federal R&D Tax Credit is industry-agnostic, there are certain industries in which the activities undertaken lend themselves to taking advantage of the credit. One such industry is construction.

If your company is in the construction industry, consider whether it performs the following types of activities:

- Design/build construction
- Geological studies
- Evaluation and testing of construction materials
- Construction equipment development/improvement
- Use of LEED building initiatives
- Building information modeling (BIM)

If these examples sound applicable to your company, then your company may be eligible for federal and even state R&D Tax Credits. To learn more about the potential benefits for your company, do not hesitate to contact a member of the [Schneider Downs R&D Tax Credits Team](#) or the [Construction Industry Group](#).

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