



R&D TAX CREDITS FOR THE ARCHITECTURE INDUSTRY

DID YOU KNOW?

- Many design activities performed by architecture firms, especially those during the Schematic Design, Design Development, and Construction Documentation phases may qualify for sizable federal and state R&D tax credits.
- While contractual language is a relevant factor, qualifying activities under contracts with clients can also qualify in many cases.
- BRAYN's expertise includes industry standard time tracking and job costing software, which provides for efficient cost analysis and excellent substantiation.
- The R&D tax credit is based on "qualified research expenses" (QREs) - for every dollar spent on QREs, you can earn up to 8.0% in federal tax credits! Additionally, over 40 states offer similar R&D tax incentives that can double benefits in some cases.

ARCHITECTURE & ENGINEERING CASE STUDY:

EXAMPLE QUALIFIED ACTIVITIES:

- ▶ **Design & Analysis**
 - Feasibility Studies
 - SD, DD, & CD Development
 - CAD & BIM Modeling
 - Technical Studies
- ▶ **Architecture & Engineering Services**
 - Building & Landscape Architecture
 - Structural Engineering
 - Mechanical, Electrical, and Plumbing Engineering
 - Civil & Environmental Engineering
 - Other Specialty Engineering

Item	Average Annual Amount
Gross Revenues	\$ 4,500,000
Total Payroll	\$ 2,500,000
Qualified Research Expenses (QREs)	\$ 900,000
Net Federal Credits	\$ 49,500
Net State Credits	\$ 27,500
Total Net Federal and State Credits	\$ 77,000

"During the course of the credit study, we were impressed by BRAYN's expertise in Deltek time tracking software, as well as in-depth understanding of our industry. We engaged with a strict deadline for the final calculations and BRAYN expedited the process to ensure we were able to meet that timeline. Throughout the process, they were easy to access and communicated often. The final documentation package BRAYN provided was thorough and clearly demonstrated that they understood our business."

~Principal, MKK Consulting Engineers - IMEG

BRAYN is a niche consulting firm that guides businesses to greater value through tax credits and incentives, such as R&D Tax Credits, Cost Segregation, 179D, 45L, and Fuel Tax Recovery. The BRAYNiacs are a team of lawyers, engineers, and accountants with extensive industry experience hailing from Big-4 and other national consulting firms. At BRAYN, we focus on building quality relationships where we are a key partner in driving business prosperity.