



# R&D TAX CREDITS FOR CRAFT BREWERIES

## DID YOU KNOW?

*Some of the things you do everyday as a craft brewer are potentially qualified as R&D. You may be eligible for valuable federal and state Research & Development (R&D) Tax Credits. By claiming these powerful tax incentives, you can decrease your tax liability and increase your cash flow.*

### EXAMPLE QUALIFIED ACTIVITIES:

- Testing of new or improved brews and product ingredient combinations
- Testing and developing new or improved fermentation processes or hopping techniques
- Developing new or improved mixing methodologies and mixtures
- Developing new or improved brew batches or test batches
- Developing new or improved bottle or can designs or bottling and canning processes
- Developing new or improved kegging techniques
- Developing new or improved water recycling and waste management processes
- Developing new or improved filtration methodologies

### CRAFT BREWERY CASE STUDY:

Item	Average Annual Amount
Gross Revenues	\$ 7,500,000
Total Payroll	\$ 1,800,000
Qualified Research Expenses (QREs)	\$ 800,000
Net Federal Credits	\$ 54,000
Net State Credits	\$ 22,000
<b>Total Net Federal and State Credits</b>	<b>\$ 76,000</b>

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, Sales & Use/Excise Tax Recovery, and Management Consulting. 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.

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