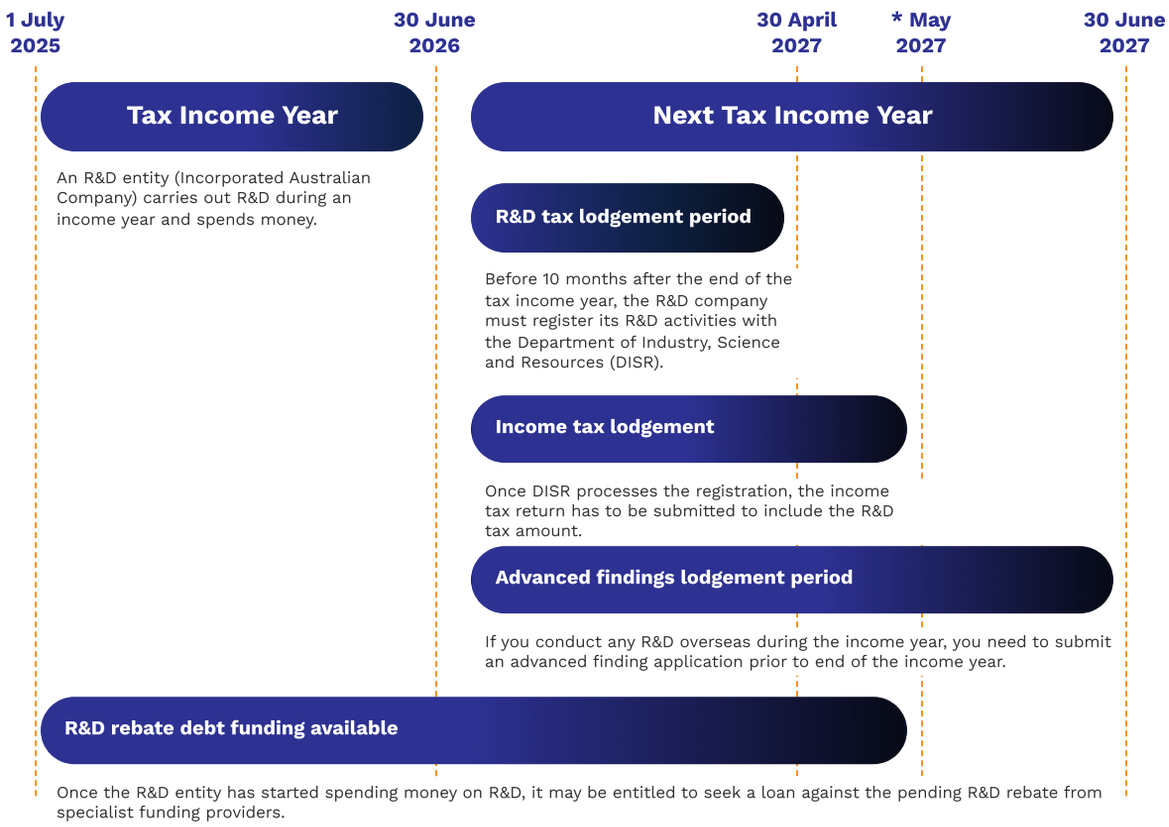
R&D Tax Introduction

Below, we have outlined the core steps involved in the R&D tax process, important dates to be aware of, and key issues that can impact eligibility and application outcomes.



A few key rules and risks to be aware of:

Minimum spend: You need to spend at least $20,000 annually to be eligible (unless you use a registered Research Service Provider).

No sweat equity: Unpaid work, founder hours, or “sweat” contributions are not claimable.

Related entities: Ensure proper tax and accounting treatments particularly if you’re claiming for services between connected companies.

Payment timing matters: For related-party claims, R&D payments must be made in cash before the end of the tax income year.

Overseas contractors: Subcontractor costs offshore are excluded unless covered by an approved advanced finding.

At risk: When the R&D costs are incurred, they must not be covered by an agreement from a third party to pay for them.

Eligible R&D must be:

- Focused on creating new knowledge
- Based on technical uncertainty and hypotheses
- Supported by experimentation and testing
- Backed with contemporaneous documentation

Be warned: Marketing, commercial research, and social sciences are explicitly excluded.

Evolv3 are registered R&D tax agents and offer full-service advisory, including:

- Full R&D registration and cost allocations
- Reviews and due diligence on existing and prior R&D tax claims
- Preparation of R&D rebate debt funding comfort letters
- Support with audits from regulators
- Advice and support with R&D management and documentation practices
- Second opinions on complex R&D tax issues

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