



Multistate Income Tax Credit and Incentive Review

Summary:

Client is a multistate manufacturer filing income tax returns in over 30 states. Annual sales are approximately \$1 billion. The company was looking to take advantage of any tax credits/incentives available to reduce the company's overall state income tax liability.

Challenge:

The company has property, payroll and sales in over 30 states. Every state offers numerous tax credits/incentives, and each of those credits/incentives has its own set of rules, requirements and eligibility criteria. Moreover, the states are constantly changing the number and types of tax credit/incentive programs available due to shrinking budgets or changes in the businesses they are attempting to attract. With limited staff, the company could not review financial information, perform state tax research and understand the requirements of the various tax credits/incentives in a cost efficient and effective manner.

Solution:

GBQ SALT performed a multistate income tax credit and incentive review on behalf of the company to identify tax credits/incentives that the company could ultimately claim on its state income tax returns. In a minimal amount of time, GBQ SALT analyzed the company's current financial data and state tax credit/incentive programs available and applicable in each state to identify potential opportunities.

Benefits:

GBQ SALT identified two state income tax credits that saved the company over \$180,000 in state taxes over a two year period.