



\$1 Billion in Biotech Federal Tax Credits

The IRS recently announced the application process for the \$1B in tax credits and grants under Section 48D. Applications are due July, 21, 2010.

In order to be eligible, qualifying biotech businesses must have 250 or fewer employees and be involved in research and development of products for this diagnosis, treatment, and prevention of disease.

A qualifying business will be eligible to receive credits equal of up to 50% of the costs paid or incurred by the business in tax years beginning in 2009 and/or 2010 for qualifying expenses. In some cases, businesses that are eligible for Section 48D Credits may elect to receive a grant from Treasury in lieu of the Section 48D Credits. No taxpayer may be allocated more than \$5M in credits.

Section 48D Credits were created by the Patient Protection and Affordable Care Act of 2010

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