The California research and development credit is frequently a high-ticket item for taxpayers. Indeed, according to the California Franchise Tax Board’s (FTB) 2017 Annual Report, $1,440,103,626 of corporation tax research credits were allowed in 2016, which was 72.5% of total corporation tax credits allowed for that year.

In his article for the Journal of Multistate Taxation and Incentives, Eversheds Sutherland Senior Counsel Eric Coffill provides an overview of the major provisions and common issues regarding claiming and defending the research credit on audit.
An Overview of the California Research and Development Credit
continued