

Hawaii R&D tax credits

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Grant Thornton is a leader in providing research and development tax credit services to Hawaii's high technology industry.

Act 221/215 ushered into the state of Hawaii tax incentives designed to encourage the growth of the technology sector and the development of high technology jobs. A major provision of Act 221/215 is the research and development tax credit.

Hawaii's research tax credit is a refundable 20 percent credit on wages and other costs related to conducting research and development ("R&D") in the state and mirrors many of the federal research tax credit rules. The credit encourages investment in Hawaii high technology jobs by returning 20 cents of every wage dollar incurred on employees conducting R&D in Hawaii to the employer, which can be reinvested in additional R&D or offset the costs of conducting the R&D. Since it is a refundable credit, it allows businesses that do not owe taxes, but which have qualifying R&D, to receive the credit in the form of a refund from the state of Hawaii.

Calculations of the credits are complex and must meet stringent state technical requirements. The tax laws applicable to these credits should be reviewed carefully to ensure the credits are appropriately claimed.

Grant Thornton's tax professionals have the knowledge and experience to advise your company through every step of the process. We thoroughly research and document your company's research activities to help you claim the maximum allowable credit.

Grant Thornton's Hawaii high technology practice

Grant Thornton's Hawaii high technology practice draws from a depth of experience serving a diverse range of clients. We have assisted a wide range of organizations from high technology start-up companies to large Hawaii businesses. We are problem-solvers. Grant Thornton is not just a tax services provider. We are also a thought leader in Hawaii high technology tax incentives.

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Why Grant Thornton?

- Local resources with extensive R&D credit experience in Hawaii.
- Extensive experience with the federal R&D credit in multiple industries.
- Experience serving and obtaining R&D credits for Hawaii's high technology industry.
- Long-term relationships developed with our clients by investing time and attention.
- A premier provider of professional services to start-up companies and the Hawaii middle market.
- Quick access to experienced local and national resources and technical proficiency on demand.

Supportable results

Grant Thornton draws from extensive experience with the Hawaii Department of Taxation to deliver thoroughly researched, well documented and supportable results. Our staff understands the high technology tax laws in Hawaii and the local high technology industry. Grant Thornton can help address the issues high technology companies face in Hawaii.

Tax professional standards statement

This document supports Grant Thornton LLP's marketing of professional services and is not written tax advice directed at the particular facts and circumstances of any person. If you are interested in the subject of this document we encourage you to contact us or an independent tax advisor to discuss the potential application to your particular situation. Nothing herein shall be construed as imposing a limitation on any person from disclosing the tax treatment or tax structure of any matter addressed herein. To the extent this document may be considered to contain written tax advice, any written advice contained in, forwarded with, or attached to this document is not intended by Grant Thornton to be used, and cannot be used, by any person for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code.