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“The Federal Research Credit: Is It Worth All the Trouble?,” Applied Clinical Trials

February 11, 2025

In an article published in Applied Clinical Trials on February 10, 2025, Special Counsel Victoria Sherlock discusses the history of the Federal Research Credit and the ways that it has been challenged by the IRS.

Sherlock explained that the credit has been modified and extended multiple times since 1981. “Nevertheless, there is no question that the research credit provides significant tax savings and should be considered by pharmaceutical companies and other taxpayers that engage insubstantial research activities,” she wrote.

Sherlock discusses more recent developments, “However, in response to feedback from concerned taxpayers, the IRS reduced the number of business components that must be reported and made Section G optional for certain qualified small business taxpayers and those with total qualified research expenditures of less than \$1.5 million and equal to or less than \$50 million of gross receipts.”

To view the full article, subscribers may click [here](#).