



DOMESTIC R&D PARTNER DRIVES FINANCIAL SAVINGS AND BENEFITS

The Tax Advantage

Where your software development is performed matters. Recent changes in the U.S. tax law now treats on-shore (domestic) and off-shore (foreign) R&D differently, and these differences have a direct impact on your company’s bottom line.

 DOMESTIC R&D WITH 121GC	 FOREIGN R&D
✓ Full tax deduction of R&D expenses annually as incurred	➤ Required cost amortization and cost capitalization over 15 years
✓ Eligible for Federal & State R&D tax credits	➤ No R&D tax credits
✓ Immediate cash savings	➤ Annual R&D cost increase and tax liability

Example: Annual R&D Spend

ANNUAL TAX SAVINGS	\$178,750	ANNUAL TAX LIABILITY	\$131,950
NET ANNUAL R&D PROJECT COST	\$471,250	NET ANNUAL R&D PROJECT COST	\$781,950

Annual Cash Savings with Domestic R&D Project Partner

\$ 310,700

more cash flow when using 121GC

TAX IMPACT

- R&D tax credits can offset up to \$500,000/year in payroll taxes (for 5 years)
- Maximizes cash flow

ADDED BENEFITS

- Faster access to capital for reinvestment
- Reduced financial risk on abandoned projects
- Avoid foreign service VAT/GST costs
- Partner with a trusted U.S.-based development team

With 121GC, your R&D spend goes further —
**unlocking tax benefits, increasing cash flow,
and fueling innovation right here at home.**

