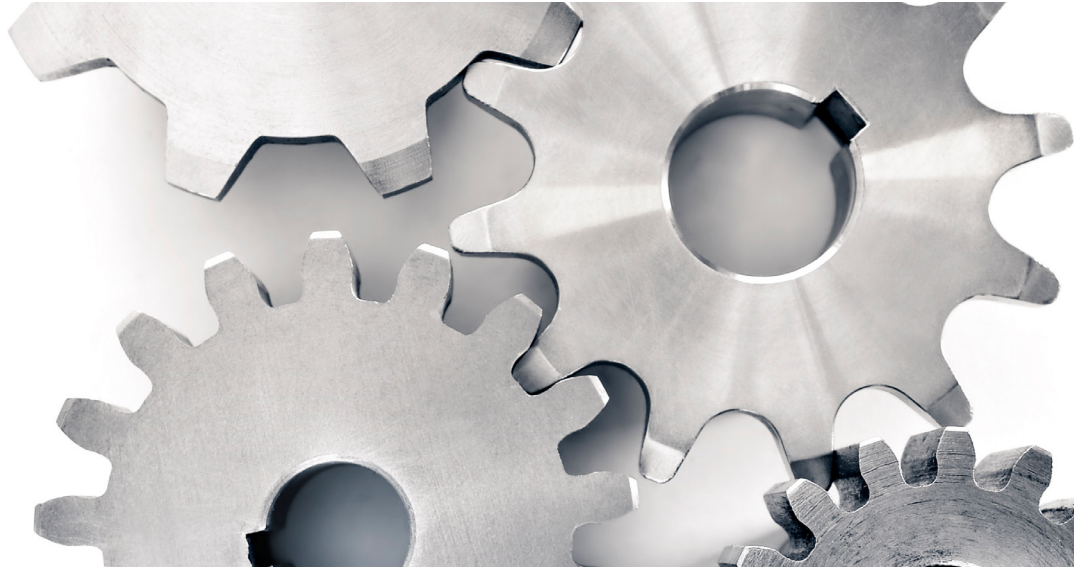


DBXi Research Credit System



Your opportunity

Research and development (R&D) tax incentives — including federal credits, various state incentives, and global incentives — are among the more significant benefits available to businesses operating in the global economy. These incentives are broader than many companies realize, applying not only to product development, but also to other activities and operations, such as developing new manufacturing processes, environmental improvements, and quality enhancements.

Make your annual R&D tax incentive process more efficient and productive.

Moreover, the R&D tax incentive landscape is constantly changing. You can address the cost and risk of R&D by leveraging available federal, state, and local tax incentives. Two methods exist to calculate the federal credit for taxpayers who conduct qualified research: (1) the traditional incremental research credit and (2) the alternative simplified credit. Many companies don't have

the resources to devote to this ever-changing and complex area. Identifying, documenting, and claiming R&D tax incentives are a resource-intensive and highly specialized process. Why can't someone develop a tool that is easy to deploy and use, a tool that efficiently supports the documentation process, correlates research activities to expenditures, and provides an organized, thorough deliverable?

Deloitte can help.

Our approach

Deloitte's DBXi software helps automate the burdensome information gathering process associated with R&D credit projects. DBXi is a Deloitte-hosted application that provides easy-to-use, activity-based information requests, facilitates uploading and storage of relevant contemporaneous documentation, and streamlines the review and analysis of information gathered.

Deloitte can customize DBXi for your company. Our approach includes configuration and setup, training for technical personnel, analysis of information collected, and assistance with your annual research credit documentation and computation process.

Easy to use and deploy

DBXi provides an easy-to-use platform for gathering and analyzing R&D tax credit information:

- Web-based information requests are tailored to the specific needs of your company.
- Automatic email notification invites technical personnel to participate in the annual process.
- The system tracks the completion process and sends reminder emails when needed.

Efficient gathering of documentation

DBXi provides a timely and efficient method for performing critical R&D tax credit calculations:

- Information gathering can begin at fiscal year-end.
- Technology allows the scope of the review process to include personnel who perform, support, or supervise qualified research.
- Information requests can be completed by technical personnel at their convenience.
- Information from prior years can be displayed to assist technical personnel in completing evaluations of current-year activities.

Correlates research activities to research expenditures

DBXi facilitates the organization and review of activity and expenditure information:

- Expenditures can be reviewed and analyzed at the employee, account, or even the vendor level.
- Expenditures can be directly associated with products, processes, research initiatives, or projects.

Deliverable

DBXi provides you with a deliverable tailored to your circumstances:

- Information requests, contemporaneous documentation, and related work papers can be downloaded and stored electronically.
- A documentation map with embedded links allows users to easily locate, review, and print stored documentation.

The Deloitte difference

The Deloitte R&D team provides you with a tailored analysis of tax incentives that may impact your R&D costs.

We offer:

- A demonstrated methodology for evaluating and documenting R&D tax incentives.
- A national team of professionals with deep technical knowledge in this complex area.
- Proprietary software, tailored to address your circumstances.
- An experienced team, which includes former senior-level Internal Revenue Service (IRS) officials who were involved with the IRS test policies and procedures for examining R&D tax credits.
- Efficient and nonintrusive R&D analyses that help you stay focused on business.
- Analysis of your R&D activities to allow you to consider the potential R&D incentives available on the global, federal, state, and local levels.

For more information

To learn more about how Deloitte can assist you with R&D information gathering, contact us at dbxi@deloitte.com.