



# Let Your Technology Work for You

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# BECAUSE TODAY IS DIFFERENT

Improve your SME User Experience and get the Visibility  
and Control you need with Less Work for everyone involved.

# IRS Changes to Form 6765

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- Report the top 80% of QREs, in no more than 50 Business Components (BC) in descending order by QRE
- Provide Type of BC: product, process, software, technique, formula, or invention
- Provide all QREs at the BC Level
- Wages provided for each BC - now by job function (Direct / Supervisor / Support)
- Supply & Contractor costs broken out by BC
- All required on the new form before you file

# The Case for Documentation

- ✓ The IRS has prevailed outright in 13 of 14 R&D cases since 2019.
- ✓ IRS - “Contemporaneous Documents” must prove the case.
- ✓ Documentation must specifically address “Technical Uncertainties” and “Process of Experimentation”.



# The Case for Documentation - Recent Tax Court Cases

## Phoenix Design Group v. Commissioner (Dec 2024)

- Court denied credits across multiple projects citing **lack of contemporaneous documentation** and inadequate demonstration of experimentation.

## Little Sandy Coal Co. v. Commissioner (2021)

- Court disallowed nearly all credits due to **insufficient documentation** of qualified research activities. Generalized narratives and after-the-fact estimates were not accepted.

## Siemer Milling Co. v. Commissioner (2019)

- Credits disallowed where **taxpayer failed to retain supporting documentation** tying activities to statutory tests.

## Moore, T.C. Memo. 2023-20

- Disallowed wage/time substantiation when **taxpayer could not document employee time** for qualified activities.

## Current Case – Kyocera

- Exclusive **reliance on interviews is inadequate** for meeting the burden of proof.

# The Common Process = Common Problems





**Interviewed & Studied  
Over 200 of America's  
Top Companies**

# What Problems Are You Trying to Solve?



# Because Today is Different

## The Solution

- ✔ Focus on “Making it Easier” for the SME and Tax Department
- ✔ Put the SME Experience first with a Proven People Processes
- ✔ Use the technology tools you are already familiar with
- ✔ Always provide visibility into the project
- ✔ Customize the approach to you
- ✔ User-Experience focused





**Technology / Software / IT**



**Defense / Aerospace /  
Government Contracting**



**Transportation / Logistics**



**Industrial / Manufacturing**



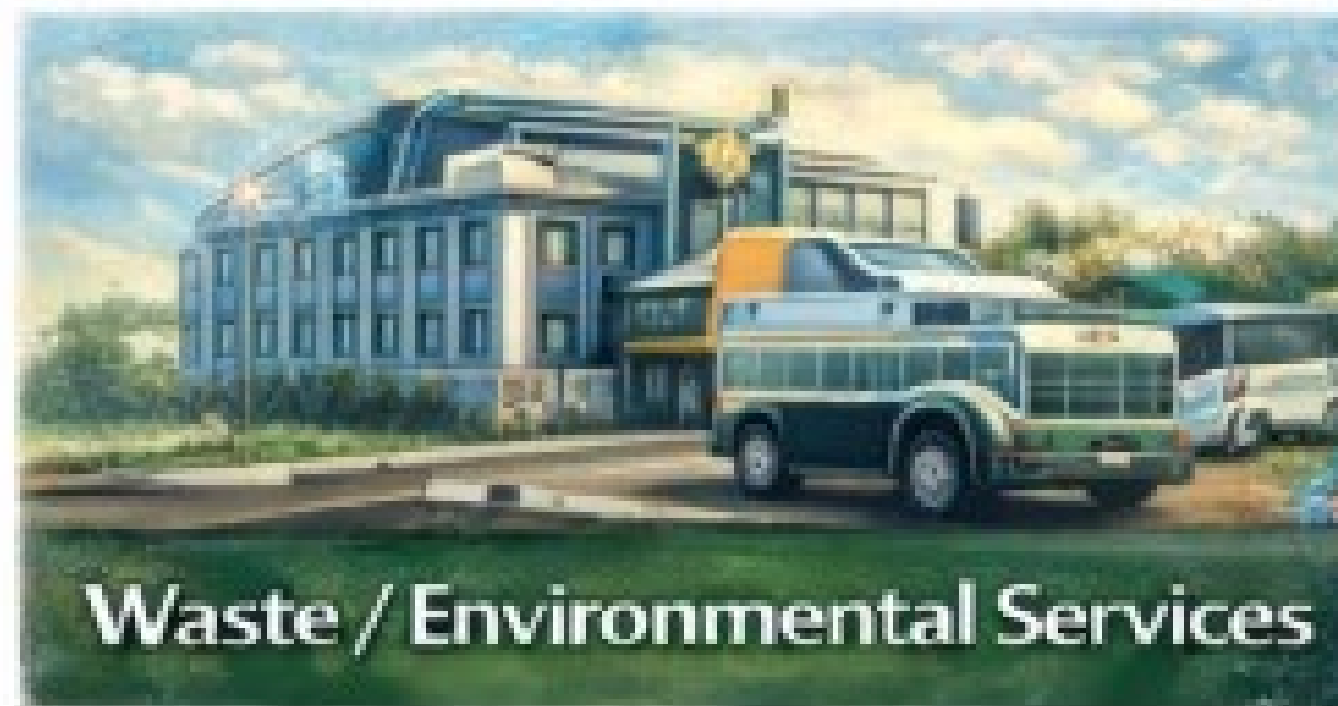
**Retail / Consumer Services**



**Housing / Real Estate / Construction**



**Finance / Investment**



**Waste / Environmental Services**



**Healthcare / Benefits**

# Results

- ✔ **Claim** and **Sustain** the maximum credit with minimal effort
- ✔ By making the process **easier** on everyone involved,  
encourages **greater participation**,  
which generates **larger credits**,  
and ensures **smoother audits**



# The MASSIE Method

## Architecture Phase

- Customized plan that suits you

## SME Interaction

- Process and tools to make it easier and more efficient

## Tax Department

- Visibility and control of the project progress and final report documentation

# Three-Phased Approach

## Architecture Phase

- Customized plan that suits you

# Project Architecture

- ✔ Find **existing systems** that can provide data commonly requested from the SME
- ✔ Learn about your Product / Software **Development Life Cycle**
- ✔ Discover how best to interact with your people – The User Experience (“UX”)
- ✔ Agree on the Project Plan- timeline
- ✔ Develop Collaboration Tools



# Three-Phased Approach

## SME Interaction

- Process and tools to make it easier and more efficient

# Today We...

- ✓ Watch videos to learn
- ✓ Collaborate in Microsoft Teams, Slack, Zoom, etc.
- ✓ Instant message chats- can see when someone is available at their desk
- ✓ Like to be guided through a process with simple instructions online
- ✓ Send auto reminders
- ✓ Share calendars to make it easy to schedule meetings



# User Experience Testing

Taking time with 5 = Save time with 100

- ✓ Detailed question review
- ✓ How else can we ask it?
- ✓ Determine internal terminology
- ✓ Implement company/industry specific FAQs
- ✓ Utilize systems and data to eliminate questions



# Great Sample Answers

## Hand Holding – No Guessing

- ✓ Will contain Sample Responses generated from the User Experience Testing
- ✓ A good answer looks like this, FAQs, Brag about this type of activity

Technical	
<p><b>UNCERTAINTY:</b> Please list 3 to 5 technical uncertainties or challenges your team faced during the development process. What questions were you trying to solve using research, experimentation, or iterative design? What hurdles did you have in creating new functionality, features or processes?</p>	<p><b>RESOLUTION:</b> For each uncertainty, please describe in detail the process your team followed to answer or resolve those technical challenges. What tests/ simulations did you perform and what were the results? What challenges did you encounter and resolve in your testing? What lessons did you learn?</p>
<p><b>Uncertainty #1</b> We were uncertain of the ability of the existing hardware to support new [redacted] code or the ability of existing software to support new protocol requirements. Memory limitations and [redacted] architecture had to be analyzed in order to determine compatibility.</p>	<p><b>Resolution #1</b> We performed a detailed analysis of the hardware platform. This included the [redacted] architecture/size and the required new interfaces to support new protocol. We also analyzed the firmware coding in C language and [redacted] simulation and synthesis of new [redacted] code. Architecture reviews were conducted, requirements generated, and code was developed for iterative test on the prototype units. New test cases were developed to test the existing digital return hardware with new code to support different digital return receivers, assess node monitoring capabilities, accept multiple [redacted] options, and for system level performance testing. We encountered challenges relative to interfacing the new code to the existing processor in the optical node relative to reporting status monitoring information which required enhancements to the digital return transmitter and the node microprocessor.</p>
<p><b>Uncertainty #2</b> My team worked with Engineering and customers to resolve the [redacted] Gen 2 power consumption issue. After Engineering built more Gen 2 prototypes, they determined that the Gen 2 [redacted] hardware would draw more power than we had planned, and that higher power draw might exceed the limits of some AC or DC Power Plants. If left "as is," customers that used a DC power feed would not be willing to deploy the [redacted] Gen 2 solution. While Engineering continued with testing to determine if power consumption could be reduced somehow, PLM needed to gather details with customers as to what power solutions they wanted to use and the characteristics of those solutions.</p>	<p><b>Resolution #2</b> With the information from customers, we reviewed the power draw test results that Engineering had gathered. It was clear that if we did not make any changes, nearly all customers with DC Power Plants would not be willing to deploy the Gen 2 [redacted]. With no changes, if the temperature of the [redacted] was above a certain threshold, then it was draw so much power that the Chassis would automatically shut down when using the DC Power Plant (because of the specific characteristics of these DC Plants themselves). Engineering and PLM discussed various options to solving this issue – potential hardware design changes, reduction in certain feature/functionality, and software changes to better manage chassis reaction to this particular situation. Engineering ran further tests and found some combination of hardware changes (in particular on the [redacted] shield/heat sink) that could reduce power consumption somewhat. We further worked together to define a new software feature that would shut down certain portions of the hardware only when the conditions were close to shutting down the chassis. The end result was a new management function within the [redacted] CER that automatically monitors for certain power consumption levels and, if reached, automatically shuts down spare modules to reduce power consumption.</p>

# Documentation Mapping

SME is provided with a checkbox list of documentation that they most likely have associated with the R&D activities



# Video Guides

**Teams** ... ☰ +

**RC** **General** Posts Files Wiki & FAQs SME Tasks Client R&D Portal Demo R&D BC Portal Demo ... ⊕

Discover

Your teams

RC R&D Credit Workspace

General

Project Management 🔒

Sample Channel (Dept, CC, BC) 🔒


M MPRS

General

Hidden teams

# What is the R&D tax credit?

- Encourage companies to conduct R&D activities within the US
- Developing new products, processes, or functionality that involves:
  - Physical, biological, engineering, or computer science experimentation
- Systematic and iterative testing qualifies



**“You’ve got to start with the **Customer Experience** and work backward into the technology.”**

*- Steve Jobs*

# Custom Collaboration Tools – Microsoft Teams



## R&D Collaboration Hub

Welcome to the Business Component Portal

**RESEARCH**

You have been identified as a Subject Matter Expert ('SME') for Company's 2023 R&D tax credit study. We need your help in providing information about the R&D work you participated in between 1/1/2023 and 12/31/2023. Please click the Project Questionnaire and/or Cost Matrix to complete your R&D Requests.

Thank you for helping Company with these valuable research credit claims.

[Instructions/FAQ](#)  
[Business Component Questionnaire](#)  
[Cost Matrix](#)

[Contact Us](#)

**MASSIE** R&D Tax Credits  
Experience Best Practices

## Simple Planner Tasks

Teams - General - SME Tasks

Group by Bucket | Filter | List | Board | Charts | Schedule

Dept A | Dept B | Dept C

Completed tasks: 3 | 1

## Customized Questionnaires

SME Questionnaire

SME Name: John Hoang | TY22 Project Name: BC - Project A  
 Cost Center ID: | Due Date: | Reviewer Name: Kelly McKinsey

Name of SME Completing Questionnaire: John Hoang | Finance Owner: Mike Gusinger | Questionnaire Status: Submitted for Team Review

1a. Project Overview: Please provide an overview of a project and the most significant development efforts related to the project. What was the timeline for this project? When did it start and finish (or is it still ongoing)?

1b. TY2022 (January 2022 through December 2022) Focus: What were you trying to develop / accomplish / advance regarding the functionality, capability, or performance of the final product or process?

What do you mean?

[Save](#) [Submit](#)

Tips: Hover over response boxes to see sample answers. Answers are saved in the cloud automatically but we recommend clicking save before closing out the session.

## Instant Communication

Contact Us

**Jason Massie, CPA, Esq.** Founder & President  
**Peter Green** CEO

**Catie Ely, CPA** Director of Tax Credits  
**David Cook** Financial Analyst  
**All Ooad** Senior R&D Technical Writer

We are here to help! Your job is extremely important to Company, and we value your time. If you have any questions that are not addressed in the Instructions Screen, please click on the buttons below to directly connect with us.

[Click here to schedule a meeting](#) [Click here to chat on MS Teams](#)

**MASSIE** R&D Tax Credits  
Experience Best Practices

## Video Training Sessions

OUR TEAM HERE TO SERVE YOU

JASON MASSIE, JAMIE BOND, TANIA SPIVEY, KELLY MCKINSEY

HOW IS THE R&D TAX CREDIT COMPUTED?

WHY IS THE R&D TAX CREDIT IMPORTANT TO ABC CO.?

WHAT QUALIFIES?

FOUR PART TEST

1 Permitted Purpose: New or improved function of a product or its performance, reliability, quality (including safety or cost reduction). (We were trying to...)

2 Technological in Nature: Discover information that is technical in nature and involves research in physical, biological, or computer sciences, or engineering. (We practice the science of...)

3 Eliminate Uncertainty: Remove uncertainty around capability, methodology, or appropriateness of design. (We didn't know how to...)

4 Process of Experimentation: Must substantially constitute a process of experimentation to qualify. (We tested...)

## Real Time Analytics

Project Management - PowerBI\_Dashboard...

FY2021 R&D Wages by Moved to FINAL Folder

FY2021 R&D Wages by FY2021 SME Name

Count of Uploaded Support Docx (or Docs) by FY2021 SME Name and Project Opined

# Slack Workspace, Channels, Canvases, Connect

Search MASSIE R&D Workspace

**Surveys** ▾

Home Messages About

Hi [@Taylor Eiselin](#), how can we help you?

[Create a Survey](#) [Give Feedback](#) [Upgrade for Free](#)

**My Inbox (1 not answered yet)**

**R&D Questionnaire**

You've been identified as a Subject Matter Expert ('SME') for CLIENT's R&D tax credit study.

You're a key player in developing CLIENT's innovative products, and your participating in this study is vital. As you are our storyteller, and we can't wait to hear about the powerful work being done by you and your team.

We need your help in providing information about the R&D work you participated in between 1/1/2022 and your time and effort during this study will not go unnoticed. Thank you for helping Columbia with these valuable insights.

From: [@Ali Coad](#)

Questions: 13

Status: Not answered yet

Created: July 31, 2023 1:14 PM

[Answer Questions](#) [Discard Survey](#)

Search MASSIE R&D Workspace

**Question 6 of 13**

To jump between questions, use the dropdown -> Question 6 ▾

**Question:**

For the documentation types selected above, where are those stored exactly? Please be specific as to which Confluence page, Company shared drive, Sharepoint site, etc.

**Your Answer:**

Write something

Open an emoji picker by pressing ctrl + cmd + space on Mac or windows key + . on Windows.

[Close](#) [Save](#)

Search MASSIE R&D Workspace

**# rd-tax-credit-portal** ▾

**# rd-tax-credit-portal**

[@John Hoang](#) created this channel on July 28th, 2023. This is the first message in this channel.

Description: This channel is for everything #rd-tax-credit-portal. Help your team. [\(edit\)](#)

[Add coworkers](#)

**Messages and files older than 90 days are hidden**

Start a free, 30-day trial to unlock your team's full message and file history.

[Learn More](#)

B I [@](#) <#> [/](#) [</>](#) [📎](#)

Message #rd-tax-credit-portal

[+](#) [Aa](#) [😊](#) [@](#) [📎](#) [🎤](#) [📄](#)

Introducing canvas | A new surface to work on

Watch later Share

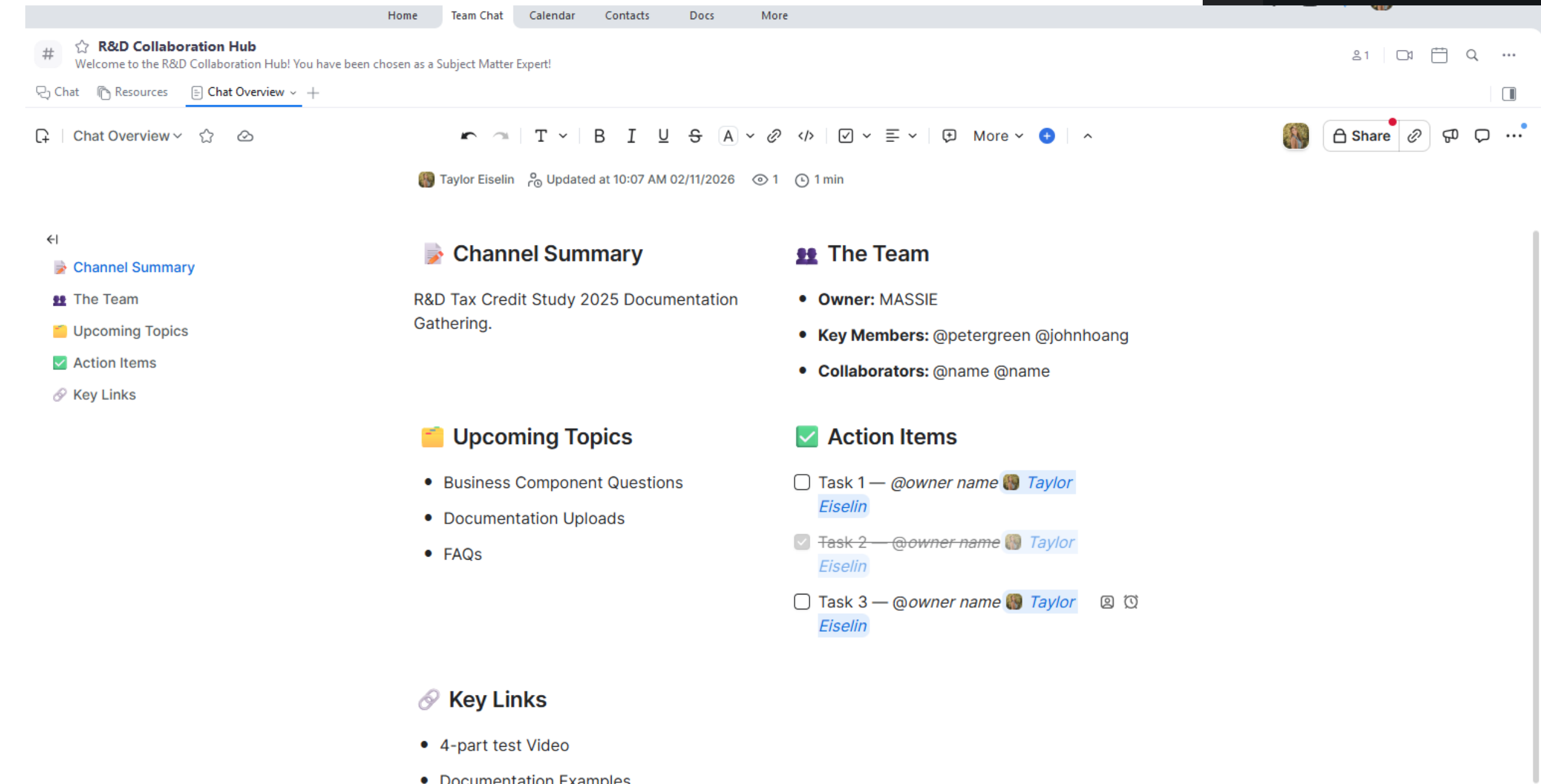
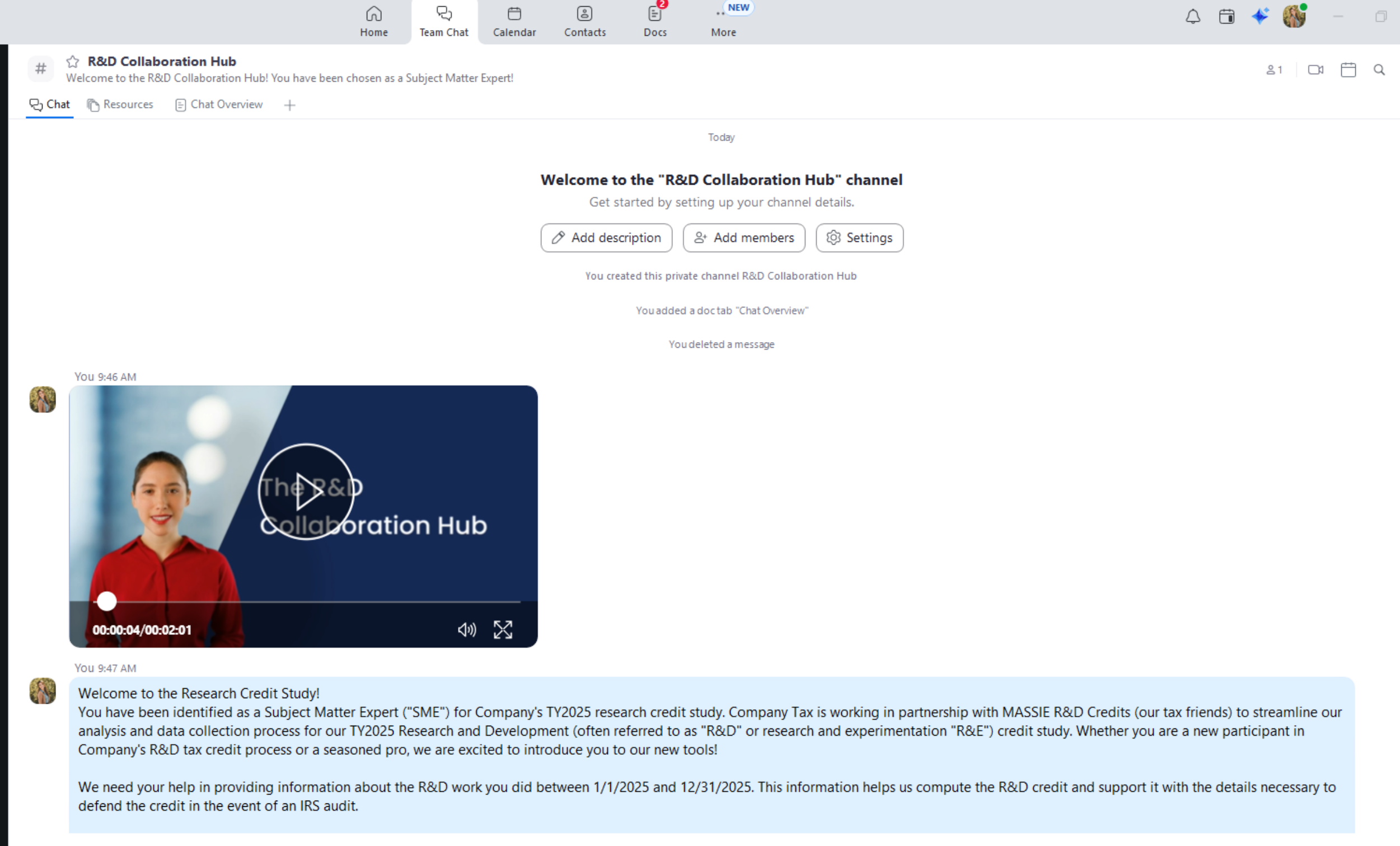
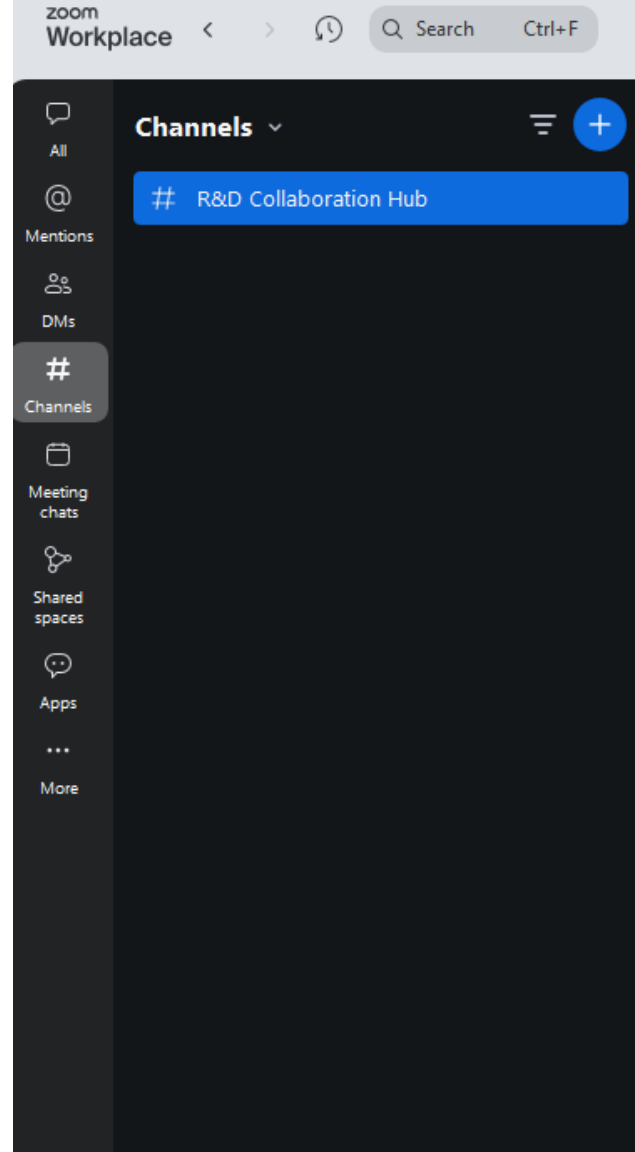
0:50

Project Beta

Watch on [YouTube](#)

## Create unlimited canvases **PRO**

Store and share the information that keeps your team moving, from quick notes to project briefs — all without leaving Slack.



# Google Workspace

## Forms, Sheets, Chat, Meet

Google 2023 R&D Tax Credit Information Request

Questions Responses Settings

After section 3 Continue to next section

Section 4 of 8

### UNCERTAINTIES & PROCESS OF EXPERIMENTATION

Please Provide 3-5 Technical Uncertainties encountered during development between 1/1/2023 and 12/31/2023.

Technical Uncertainties can be capability, methodology, OR design uncertainties around the of function, performance, reliability, OR quality of software products, including but not limited to:

- Initial release of software product or platform (e.g., requiring new architectures, new algorithms, or new database management techniques)
- System software such as operating systems and compilers (e.g., entailing process scheduling and memory management designs and instruction execution optimization)

Section 1 of 8

## 2024 R&D Tax Credit Information Request

B I U  

You have been identified as a Subject Matter Expert ("SME") for Company's TY2024 R&D credit study. We are working to streamline our analysis and data collection process for our TY2024 R&D credit study. Whether you are a new participant in Google's R&D tax credit process or a seasoned pro, we are excited to introduce you to our new tools!

We need your help in providing information about the R&D work you did between 1/1/2024 and 12/31/2024. This information helps us compute the R&D credit and support it with the details necessary to defend the credit in the event of an IRS audit.

Email \*

Valid email

This form is collecting emails. [Change settings](#)

### SME Instructions and FAQs



Chat

Search in chat

New chat

Shortcuts

Home

Mentions

Starred **New**

Direct messages

Google Drive **App**

Spaces

Project Bard - Google R&D

Project Gemini - Google R&D

Project Gemini - Google R&D

Manage members

Added

Invited


Space details

Apps & integrations

Invited

2 members

Name

 eislintaylor@gmail.com

 petergreen5301@comcast.net

# The Kudos Letter

- ✓ Sent to all key individuals who helped during the process with a cc: to their managers.
- ✓ Also, a Master Kudos letter is sent to Senior Management listing all the key people involved in the successful project.



December 20, 2024

Re: FY2024 R&D Collaboration Hub – Acknowledging Your Outstanding Team Members

Dear Leadership Team:

On behalf of the MASSIE team, thank you for trusting us to support your team in the development of an R&D Collaboration Hub ("Hub"). Your partnership has been invaluable, and we are especially grateful for the contributions of your talented team members.

We would like to recognize the following individuals for their exceptional efforts in making this Hub implementation a success:

**Jane Smith** took the lead in gathering key insights and coordinating with other team members to ensure a smooth rollout. Her responsiveness and commitment to providing design feedback timely were instrumental in our progress.

Jane Smith and our team also had the incredible support of **Emily Robinson** and **Erik Coopersmit**. Their collaboration and support in reviewing design details and assistance in user experience testing made a significant impact.

While many others across Microsoft contributed to this initiative, the dedication of the individuals mentioned above was essential to its success. We are proud of what we have accomplished together and look forward to continuing our collaboration.

Thank you again for the opportunity to partner with your team.

Kindly,

*Elaine Guan*

Elaine Guan  
Sr. Director of Process Development

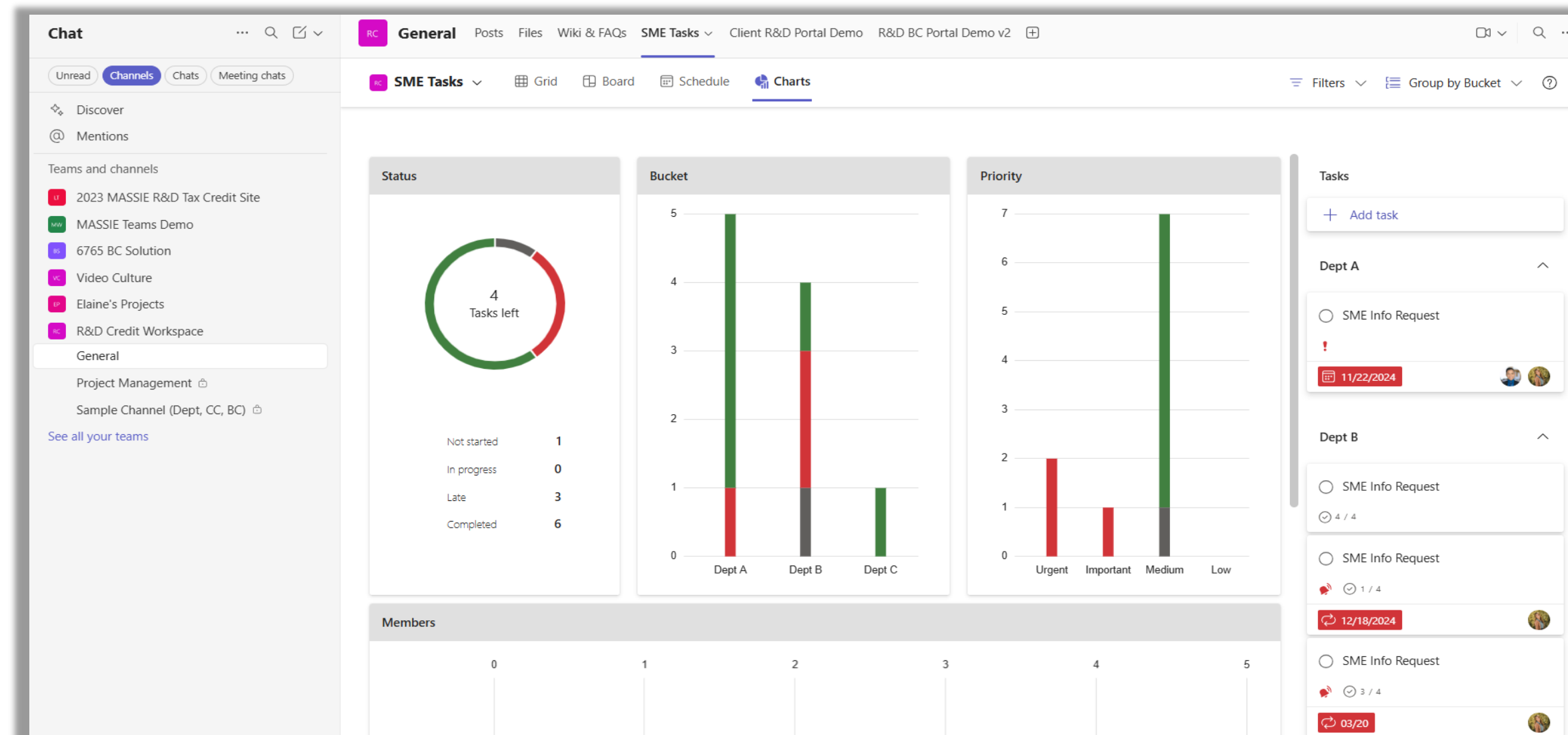
# Three-Phased Approach

## Tax Department

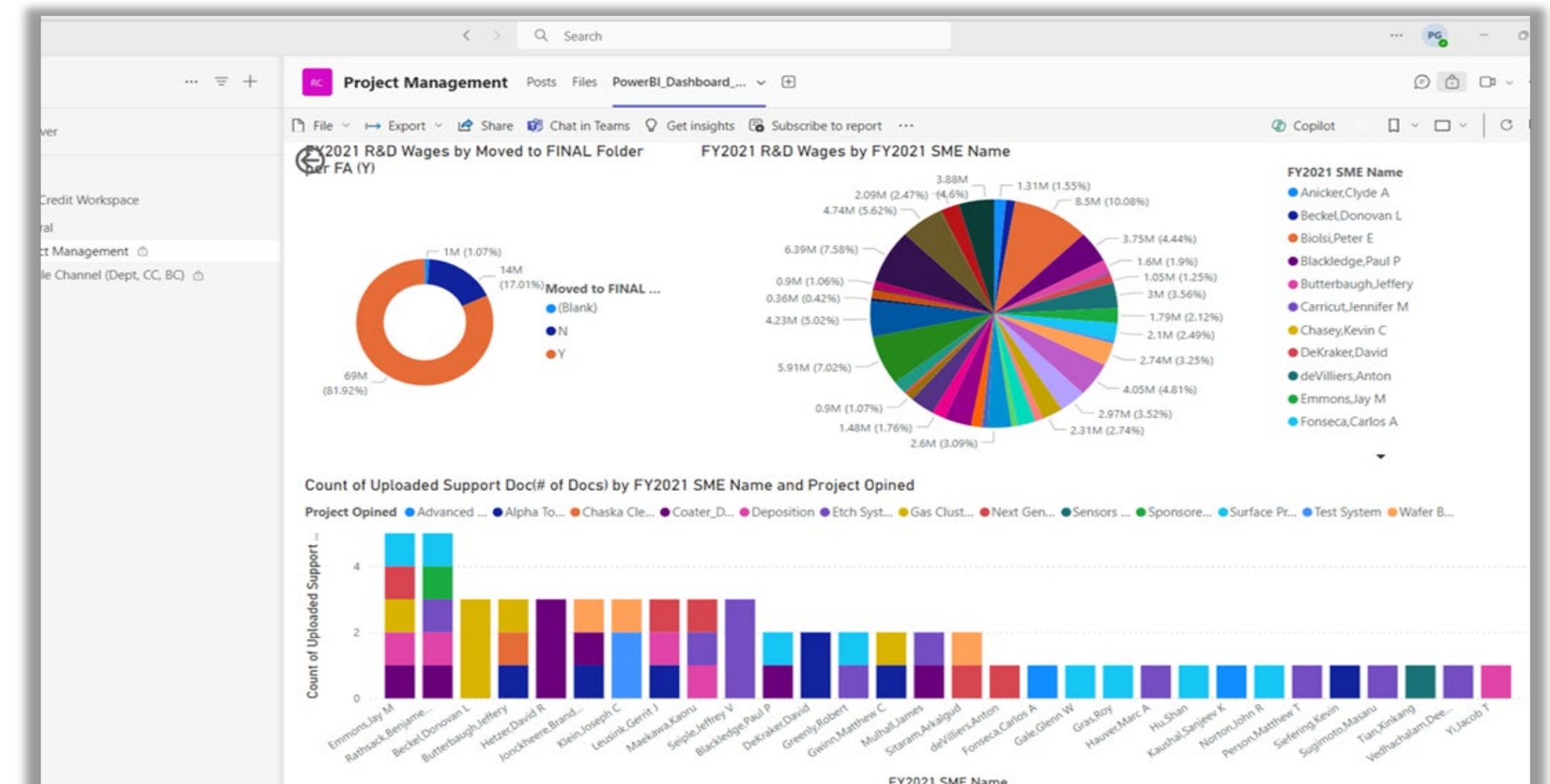
- Visibility and control of the project progress and final report documentation

# Custom Collaboration Tools – Tax Visibility

## Project Progress Visibility



## Real Time Power BI Analytics



# Electronic Final Report

## Organized for Smooth Audits



About Our Credit	<h3>Business Components</h3> <p>Content</p> <ul style="list-style-type: none"> <li><b>Business Components Overview</b></li> <li>QREs by Business Component</li> <li>Four Part Test Listed by Business Com...</li> </ul>
QRE Calculations	
<b>Business Components</b>	
Documentation	
Patents & IDFs	

### Business Components Overview

OPEN

components\_overview.pdf

components\_overview.pdf
1 / 2 | - 80% +

CONFIDENTIAL

**ABC Company**  
Research Credit Study  
For the Tax Year Ended December 31, 2023

**BUSINESS COMPONENTS OVERVIEW**

ABC Corporation ("ABC" or the "Company") performed qualified research activities during the tax year ended December 31, 2023 ("Tax Credit Year") for the purpose of developing new and improved products, functionalities, features, medical devices, hardware, software, platform, drugs, etc. for the Company's portfolio of products.

**Federal Qualified Research Expenditures by Business Component**

During the Tax Credit Year, ABC had the following business components under development.

Business Component Number	Business Component Name	Wages	Supplies	Contract Research @65%	Total QRE
AR06	Bidil / Bidil XR (AR06)	210,515	-	2,001,242	2,211,757
AR14	Edarbi Pediatrics Study	174,576	849,822	1,808,569	2,832,966
AR17	Amphetamine Sulfate IR-ODT (AR17)	229,945	609	1,749,689	1,980,243
AR19	Abuse deterrent IR (AR19)	709,676	204,438	4,133,684	5,047,798
AR20	Abuse deterrent XR (AR20)	157,518	-	-	157,518
AR23	AR23 PD1- Gliadel & Gliadel/Opdivo combination	75,327	2,650	67,243	145,221
AR26	Horizant	118,235	50,236	601,550	770,021
AR28	AR28 (XP 23829)	1,519	31,338	9,606	42,462
AR33	AR33 Dextroamphetamine IR ADF / Zenzedi	180,747	-	128,873	309,620
AR35	Nimodipine / Nymalize Pre-Filled Syringe	175,017	-	384,422	559,439

# Post Project Review

How can we get even better next time?

At the end of the project:

- ✔ Process improvement meeting to find out how we can do even better next year
- ✔ What worked well – what can be improved
- ✔ SCOT



# The MASSIE Method

## Architecture Phase

- Customized plan that suits you

## SME Interaction

- Process and tools to make it easier and more efficient

## Tax Department

- Visibility and control of the project progress and final report documentation

# Your Homework

- ✔ What do my SMEs not love about the current process?
- ✔ What input do they have for improvement?
- ✔ What technology do I have available to me right now?
- ✔ What data, required for the credit, is already being tracked?
- ✔ How can I “Make it Easier”?





 MASSIE's "SMEasier" Approach

# The Form 6765 Business Component Solution **Demo**

*Using Microsoft Teams*

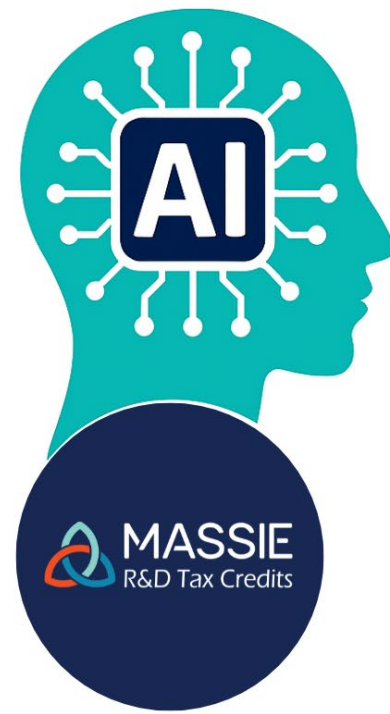
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The MASSIE **Experience**

# BECAUSE TODAY IS DIFFERENT

Improve your SME User Experience and get the Visibility  
and Control you need with Less Work for everyone involved.

# Join our events for all the latest on R&D Tax Credits



**AI FOR  
R&D  
COLLABORATION  
FORUM**

**March 10**



**TOMORROW!**

**massie**tax**credits.com**