

No one likes to pay more taxes than absolutely necessary. However, many businesses overpay by failing to take advantage of special tax opportunities, such as tax credits. A qualified business law attorney can assist your business in maximizing after-tax profits through the federal tax code.

## How tax credits work in your favor

*Tax deductions* are business expenses that reduce your tax liability by reducing your business income.

*Tax credits* are awarded for certain kinds of business activities. They are deducted from taxes *after* income is stated, thus resulting in a dollar-for-dollar reduction in taxes. If you have too many to claim within the current tax year, certain credits can be carried forward or backward.

The federal government uses tax credits to encourage the private sector to implement public policy. According to Business Week, many small and midsize companies overlook tax credits, assuming that their activities do not qualify. However, many of their activities do qualify, including:

- **Work opportunity.** Hiring employees from groups with high unemployment rates — such as veterans, youths, and other.
- **Investment.** Spending on new facilities, equipment, research and development.
- **Renewable Energy.** Investing in renewable and other technologies, as well as using alcohol and cellulosic biofuels. Businesses which establish, expand or re-equip a manufacturing facility for the production of renewable energy technologies also qualify.
- **Low income housing.** Developing and maintaining affordable housing.
- **Federal historic rehabilitation.** Preserving and restoring historic buildings.
- **Disabled access.** Improving buildings to remove barriers to handicap accessibility.
- **Small Business Health Care Tax Credit.** Assistance with funding employee health insurance premiums for small businesses.

An experienced Wilkes-Barre business law attorney can work with you to make sure that you are taking full advantage of available tax credits.

## Rosenn, Jenkins & Greenwald, LLP provides Pennsylvania business solutions

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knowledge with big city experience. The largest law firm in Northeastern Pennsylvania, we serve our clients with sophisticated legal knowledge and in-depth familiarity with local customs and rules of practice. Contact us online or call today to set up an appointment at one of our convenient offices.