
Treasury Issues Guidance on Qualifying Therapeutic Discovery Project Credit

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The Treasury Department has just released IRS Notice 2010-45, which establishes the qualifying therapeutic discovery project program for the 50% investment tax credit that was mandated by the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the "Affordable Care Act"). This guidance provides information regarding the application process for the \$1 billion of tax credits/grants under the program and the criteria to be considered.

Applications must be submitted by July 21, 2010, and a separate application must be submitted for each project. All applications submitted by that time will be treated as submitted on October 1, 2010, when the IRS will begin the formal 30-day review process for all applications. The application form, Form 8942, is not yet available but will be released by June 21, 2010.

We will provide a more comprehensive summary of this guidance shortly, but as this guidance has been highly anticipated, we wanted to provide the text of the guidance immediately.

Click [here](#) for the text of Notice 2010-45.

Read our prior alert discussing this program and other tax provisions affecting life sciences companies in the Affordable Care Act, [Tax Provisions Affecting Life Sciences Companies in New Health Care Reform](#).

For more information on this or other tax matters, contact [A. William Caporizzo](#). For more information on this or other life sciences matters, contact [Cynthia T. Mazareas](#).

Authors



**A. William
Caporizzo**

PARTNER

Vice Chair, Transactional
Department

✉ william.caporizzo@wilmerhale.com

☎ +1 617 526 6411