

# Is Your Business Ready for the 2025 Tax Shift?



## Planning Priorities for CFOs and Tax Executives

Evaluate where your organization stands and determine critical next steps across key risk and opportunity areas changed by the 2025 tax shift.

### R&D Expensing (Section 174 Changes)

With the return of immediate expensing for domestic R&D in 2025, it's critical to reassess tax strategies and capitalize on transition-year elections.

Key Questions:

**Have you modeled the impact of immediate expensing for 2025 and beyond?**

Yes      No      Unsure

**Have you considered amending 2022–2024 returns to accelerate deductions or take advantage of small-business elections?**

Yes      No      Unsure

**Action Tip:** Tax teams should collaborate with R&D, finance, and legal departments to quantify the opportunity and properly document elections.

### ERC Risk and IRS Enforcement Preparedness

The IRS is expanding enforcement related to Employee Retention Credit (ERC) claims — particularly those filed after Jan. 31, 2024, for Q3 2021. Be audit ready.

Key Questions:

**Have you reviewed all ERC claims, especially high-risk quarters like Q3 2021?**

Yes      No      In Progress

**Are you prepared to respond to an IRS audit with proper documentation and eligibility justification?**

Yes      No      Unsure

**Action Tip:** Even if a third-party prepared your claim, your company is liable. Conduct a post-claim risk review and update your audit file.

### Clean Energy Tax Credit Strategy

With the accelerated rollback of key credits, your energy strategy should be fully aligned with placed-in-service and construction start deadlines.

Key Questions:

**Are your EV, charging station, wind, and solar investments scheduled to be placed in service before 2025/2026 deadlines?**

Yes      No      N/A

## Clean Energy Tax Credit Strategy (continued)

Are your wind and solar project construction timelines aligned with new accelerated placed-in-service requirements for §48E and §45Y?

Yes      No      In Review

Have you reviewed vendors and contracts for exposure to prohibited foreign entity (PFE) restrictions and material assistance restrictions?

Yes      No      N/A

**Action Tip:** Engage with facilities and procurement teams now. Small shifts in delivery or installation timelines could cost you valuable credits.

---

## Documentation, Tracking, and Strategy Alignment

Tax changes in 2025 impact federal, state, payroll, and business interest provisions. Cross-functional visibility is essential.

Key Questions:

Is your tax or compliance team actively checking weekly developments around the 2025 Reconciliation Act and related guidance?

Yes      No      Starting Soon

**Action Tip:** Set up a recurring cadence with your finance and legal teams to track changes, interpret IRS guidance, and adjust positions as needed.

## Turning Insight into Action

The 2025 tax shift isn't just a compliance exercise — it's a strategic inflection point. The decisions you make in the next two quarters will directly affect your organization's tax liability, cash flow, and ability to access valuable credits and deductions.

### What's next:

- Prioritize internal discussions now.
- Revisit timelines, elections, and documentation protocols.
- Find where your organization is exposed — or under-leveraging opportunities.

For many mid-market CFOs and tax leaders, the biggest risk right now is inaction. Use this checklist as a starting point to guide focused conversations across finance, legal, and operations teams.

### Need Guidance?

If you'd like to walk through this checklist together or explore a deeper diagnostic of your current readiness, reach out to our Tax Credits and Incentives team today. A quick strategic session can help prioritize your next steps and uncover overlooked opportunities.

Let's Talk

mgo.