

THOMSON REUTERS

Guide to the Taxation of R&D Expenses

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Highlights

This release updates Appendix A, R&D Legal Cases and Brief Commentary in Volume 2, and Appendix F, CRA Application Policy Papers in Volume 3.

Volume 2

Appendix A — R&D Legal Cases and Brief Commentary

Three new case summaries and author commentary have been added:

- *DAZZM Inc. v. The King*, an appeal concerning disallowed SR&ED tax credits for cloud-based software development involving integration of multiple technologies, technological uncertainty was found, despite CRA's routine optimization assertion.
- *Gestion ACBK Inc. v. The King*, an appeal concerning disallowed SR&ED expenditures for modifications to a self-sufficient energy system, water tank sizing and temperature constituted standard engineering rather than SR&ED.
- *Manning Canning Kitchens Inc. v. The King*, an appeal concerning disallowed SR&ED tax credits for food product development, technological uncertainty and scientific methodology successfully demonstrated by appellant.

Volume 3

- **Appendix F — CRA Application Policy Papers**

- SR&ED Filing Requirements Policy (updated);
- SR&ED Salary or Wages Policy (updated); and
- Gross Negligence Penalty on Overstated SR&ED Claims Policy.