

Arnold Lumber

Tax credits enable well-trained workforce



Established in 1911, Arnold Lumber Company is a family business that has grown to become one of the largest lumber companies in Rhode Island, with a large fleet of delivery trucks, 170 employees, and unsurpassed contractor services.

According to Paul Nadeau, controller of Arnold Lumber, the lumber company has a very simple philosophy when it comes to sales: a better-informed sales staff makes more sales. That is why he has always encouraged his people to learn as much as they can about the products they sell. It is that philosophy and the commitment to training company-wide that has helped Arnold Lumber grow into one of the biggest building materials suppliers in Rhode Island.

For the last three years, Arnold Lumber has not only been rewarded with a well-trained workforce, it's been getting state tax credits as well. With the help of TracTax, a tax credit service specifically designed by The ProfitPoint Group, Inc. for the Rhode Island Job Training Tax Credit (JTTC) program, the company has been able to easily turn the training it had been doing all along into dollar-for-dollar tax credits against its state income tax liability.

For-profit businesses can apply for the JTTC program and receive up to \$5,000 per employee trained over three years in the form of a tax credit. Using custom software The ProfitPoint Group designed for the JTTC to help companies apply for and receive the credit, TracTax staff members import employee information, log and monitor training events, create the application form, calculate the tax credit, create the tax form, project current and next year's credits, and generate multiple management reports with accuracy and ease.

"I was a little skeptical at first," Paul says, "but we've achieved everything that TracTax has promised. Best of all, it hasn't cost us anything because we were doing the training anyway. Everyone

Arnold Lumber's Donna Dias (left), human resources manager, and Paul Nadeau (right), controller, have been able to easily turn their company-wide training program into dollar-for-dollar tax credits thanks to TracTax.



On-the-job training is important at Arnold Lumber. Donna is pictured here at the showroom counter training new counter salesman Pedro Esteves. He and other counter salespeople have the opportunity to become certified as a building materials specialist – a 10-part course that qualifies for the JTTC program state tax credits.

here has the opportunity for training. In fact, it's like TracTax helped us to find the money to help fund our training program."

Paul says that the amount of training for the company's 170 employees has increased in recent years. The long housing boom and the rising cost of lumber has pushed manufacturers to create alternatives to wood. Representatives from manufacturers stop by the West Kingston headquarters on a monthly basis to meet with Arnold staff and educate them on new materials available. Those training sessions, in most cases, qualify for state tax credits.

Arnold Lumber sales folks don't just wait for manufacturing reps to come to Rhode Island. Many times, they travel to the manufacturer for a first-hand look at the product being produced. Arnold Lumber has sent representatives to Andersen Windows in Hatfield, Massachusetts and Bayport, Wisconsin. They have even traveled to the Loewen Window manufacturing plant in Manitoba, Canada.

Arnold Lumber also has a long history of promoting from within. A person hired to work the showroom counter who shows an interest in the industry, Paul says, will be given an opportunity to become a Certified Building Materials Specialist (CBMS) and eventually join the sales force. The CBMS certification is a 10-part, self-study course that also qualifies for state tax credits.

The best part, Paul explains, is that TracTax makes it so easy to track the credits. "We give our TracTax representative a sign-up sheet along with the course information and they take it from there," Paul states. "Then we send the information we get from TracTax right to the accountants. It's a great system."

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