

# R&D TAX CREDITS FOR INNOVATORS

Research & Development Tax Relief

14/05/2020



# TODAY I'LL COVER...

- MEET THE TEAM
- THE R&D TAX CREDITS SCHEME - OVERVIEW
- WHAT IS THE R&D TAX CREDITS SCHEME AND WHO'S IT FOR?
- HOW TO IDENTIFY CLAIMABLE R&D ACTIVITY
- WHAT'S CLAIMABLE R&D ACTIVITY?
- WHAT COSTS YOU CAN CLAIM FOR
- WHAT'S NEEDED FOR A R&D TAX CREDITS CLAIM?
- R&D TAX CREDITS FAQ'S

**VIC  
ULFIK**

HEAD OF R&D

07920  
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in 



# MEET THE TEAM



**ANDREA**

**LIBURD**  
R&D TECHNICAL  
ANALYST

**SHAZIN**

**TAYUB**  
DIRECTOR - TAX

**VIC**

**ULFIK**  
HEAD OF R&D

**KAT**

**HILL**  
R&D ASSISTANT  
MANAGER

**EUAN**

**DAVIES**  
R&D TECHNICAL  
ANALYST

# MEET THE TEAM



**EMILY**  
STEWART  
PROJECT  
CO-ORDINATOR



**SALMAN**  
ISSA  
R&D TECHNICAL  
ANALYST



**MICHAEL**  
STEAD  
SENIOR R&D  
TECHNICAL ANALYST



**YAW**  
FOSU-ADU  
R&D TECHNICAL  
ANALYST



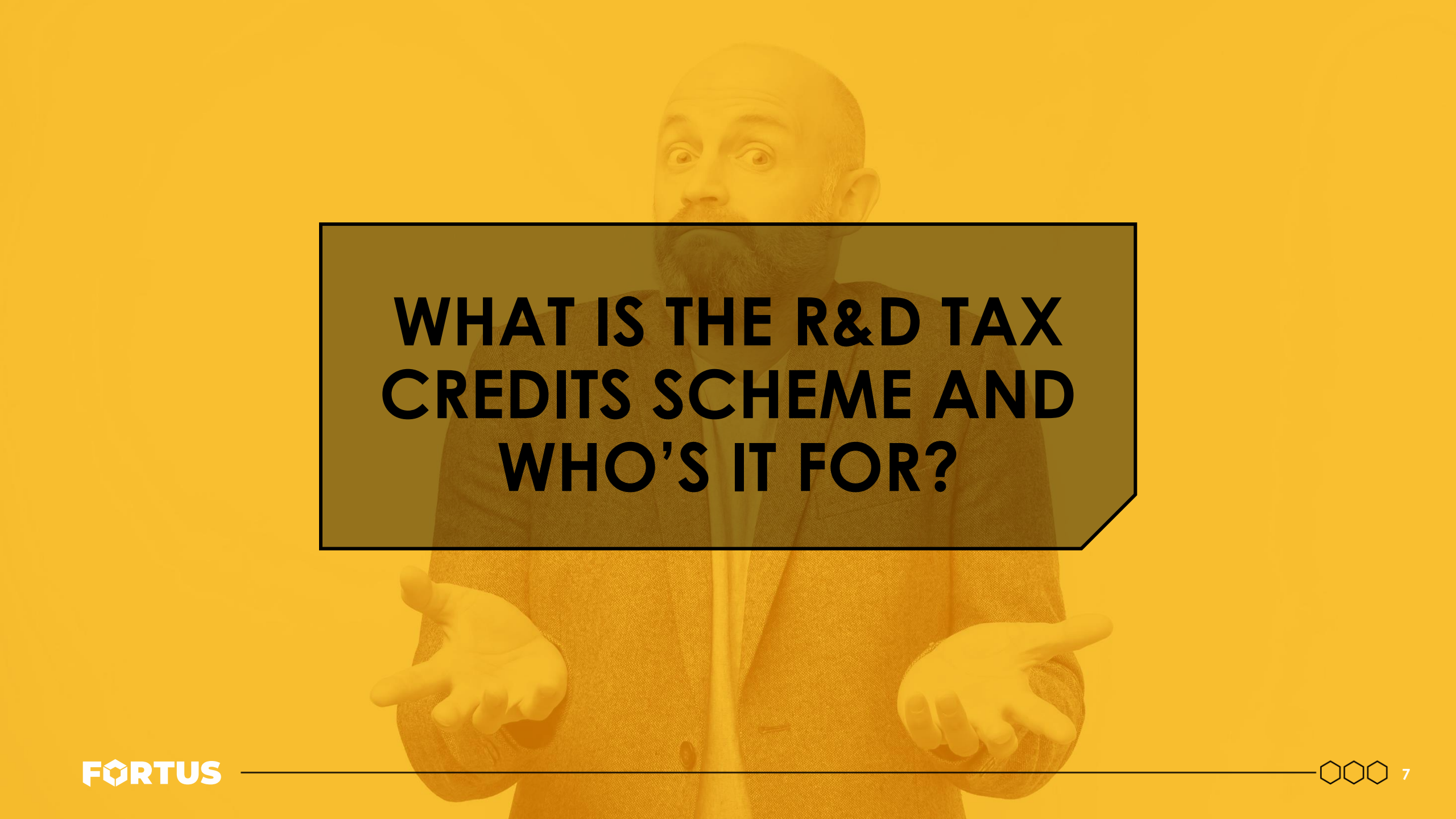
**BEN**  
WILSON  
R&D TECHNICAL  
ANALYST

A person is shown from the chest up, wearing a plaid shirt and holding binoculars to their eyes. The image is heavily filtered with a yellow color and is semi-transparent, serving as a background for the slide.

# THE R&D TAX CREDITS SCHEME - OVERVIEW

# THE R&D TAX CREDITS SCHEME - OVERVIEW

- 2 UK scheme – SME & RDEC companies
- Designed to keep UK competitive
- Introduced 20 years ago
- Slow uptake
- 80% of qualifying companies not claiming



**WHAT IS THE R&D TAX  
CREDITS SCHEME AND  
WHO'S IT FOR?**

# WHAT IS THE R&D TAX CREDITS SCHEME AND WHO'S IT FOR?

- UK registered companies & LLP's where the lead is a UK registered company
- Scheme to reward innovators
- Strategic R&D
- Accidental R&D
- RDEC/SME
- BIS guidelines





# HOW TO IDENTIFY CLAIMABLE R&D ACTIVITY...

# HOW TO IDENTIFY CLAIMABLE R&D ACTIVITY...

- Not readily deducible by a competent professional in the field - **complex**
- Contains technical or scientific uncertainties – **problems**
- Seeks to advance science or technology – **what you did to achieve the outcome**



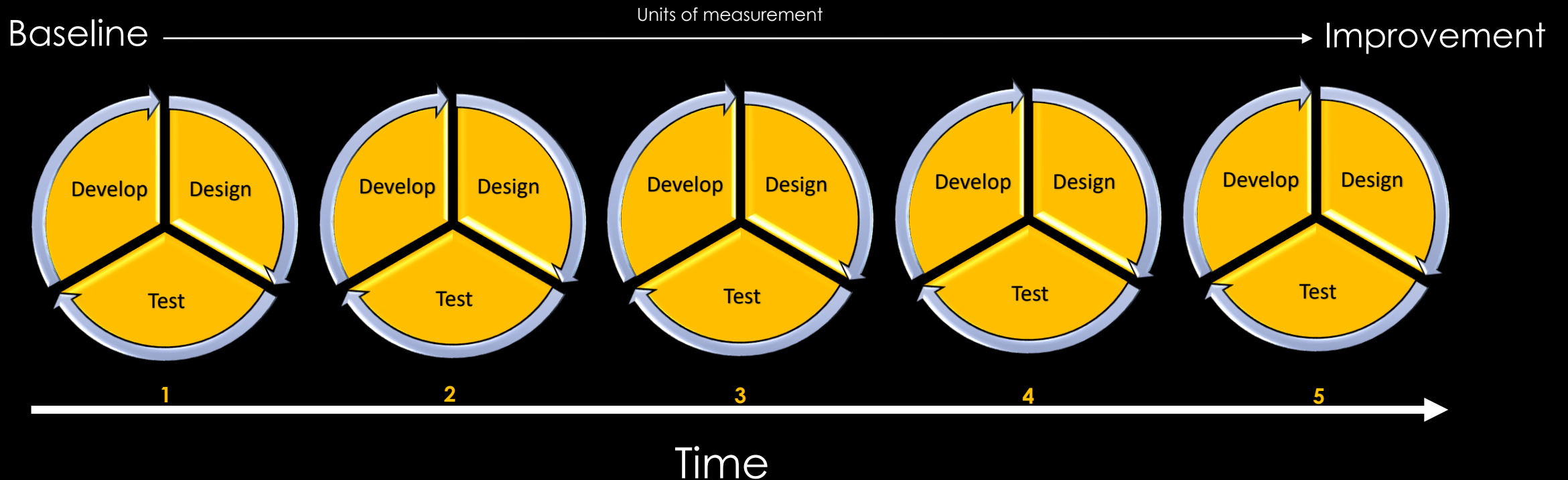
# WHAT'S CLAIMABLE R&D ACTIVITY?

# WHAT'S CLAIMABLE R&D ACTIVITY?

- Development of new products
- New processes or services
- Enhancing existing products, processes & services
- Strategic projects/work
- Accidental projects/work

# WHAT'S CLAIMABLE R&D ACTIVITY?

R&D that satisfies the rules of the scheme = *Iterative development over a period of time*





# WHAT COSTS YOU CAN CLAIM FOR...

# WHAT COSTS YOU CAN CLAIM FOR...

- Employees
- Subcontractors
- External Provided Workers
- Consumables
- Software
- Utilities
- Clinical trial volunteers

A hand is shown from the wrist up, holding a dark grey rectangular sign with a black border. The sign has a small notch in the bottom right corner. The background is a solid yellow color. The text on the sign is in bold, black, uppercase letters.

**WHAT'S NEEDED  
FOR A R&D TAX  
CREDITS CLAIM?**



# WHAT'S NEEDED FOR A R&D TAX CREDITS CLAIM?

- Proof of claimable R&D activity – Technical report
- Proof of claimable expenditure – Financial report



# R&D TAX CREDITS – FAQ'S

# R&D TAX CREDITS – FAQ'S

- How can I claim? – use your accountant or an expert service
- How much is it worth? – £24.7K for £100K qualifying spend\*
- How far can you go back? – usually 2 years
- Do you need to be profitable? – No
- Do you need to have paid corporation tax? – No
- How long does an R&D claim take? – As little as 10 days
- How do I get my money? – Cash refund from HMRC or reduction in tax liability in current year

\*In profit and paying tax at 19%



**QUESTIONS?**

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