

Buzzacott

# tax credits

Incentives to innovate  
Research & development  
tax credits

(projects)

Which projects qualify

(costs)

Which costs qualify

(benefits)

The real cash benefits

(claim)

Help to receive relief

(call)

Get in touch with us

# what

## R&D tax credits – what's that then?

**R&D tax credits are a tax relief for companies.**

The relief is based on the R&D costs that your company incurs. It can be used either to reduce the amount of tax that your company pays, or can lead to a cash payment from HMRC.

(what)

What are R&D tax credits

(costs)

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# projects

Ok, so what projects will qualify?

The relief covers projects which seek to achieve an advance in science or technology, or activities which directly contribute to advances by resolving scientific or technological uncertainty.

The outcome of the project can be tangible, such as new products or processes, or intangible, such as knowledge or cost improvements, even abortive projects can qualify.

Patents and other copyright material or processes are a helpful outcome when putting the case forward for relief, but they are not essential.

(what)

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# costs

...and which costs might  
qualify for relief?

## Employee costs

But only those directly involved in R&D

## Agency staff

costs for those directly involved in R&D

## Direct materials and consumables

## Utilities

Fuel, power, water

## Software

used directly in the R&D

## Subcontracted R&D expenditure

(special rules apply)

## R&D Capital Allowances

are available for capital expenditure

(what)

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# benefits

## What is the real cash benefit of a successful R&D claim?

For absolute clarity, here are the resulting cash benefits for your business of a successful R&D tax credit claim, based on different levels of qualifying costs.

\*At small company's corporation tax rate of 20%

Costs qualifying for R&D tax credits	Benefit if credit taken as a cash payment from HMRC to your company (33.35%)	Benefit if credit used to offset future corporation tax liabilities of your company*
£100,000	£33,350	£46,000
£500,000	£166,750	£230,000
£1,000,000	£333,500	£460,000

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# claim

How can Buzzacott help my company receive relief?

Our specialist team will invest time in understanding your business and discussing the nature of the claim at no cost to you. If we believe that you will be eligible to qualify for R&D tax credits, we will then proactively manage your claim.

**This will involve performing a comprehensive review of your costs to determine which will qualify, and using our technical expertise to prepare a report for submission to HMRC.**

This approach will not only minimise the time incurred by you, but also maximise the chances of you obtaining a successful claim in the shortest possible timeframe.

Our flexible approach to fees means we are happy to work on a fixed or contingency basis, which will give you complete transparency as to the cash benefit that the R&D tax credit will have to your business.

(what)

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# call

Ok, so who do I call?

In the first instance get in touch with:

**Iain Butler**

**R&D Director**

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*"I've worked on the other side so I know what it's like undertaking development work and the pressures businesses face. I enjoy working in R&D tax credits as it's not just about building a business but about improving the overall innovation capabilities in the UK."*