

R&D Tax Credit Claims

Incentives for Businesses that Undertake
Research + Development Activities

HELP + SUPPORT For Accountants

LimestoneGrey
CHARTERED R&D TAX CREDIT SPECIALISTS



Welsh engineering company reclaims over £70,000

Unaware of the R&D tax credits scheme, the company was missing out on thousands of pounds in additional funding each year. Understandably, the directors were overjoyed when over £70,000 was successfully reclaimed within one week of LimestoneGrey submitting their claim.

LimestoneGrey

As accountants and business advisers, you will be aware of the huge financial benefits Research and Development (R&D) tax credits can bring to your clients. Since its inception, the relief has continually become more and more generous and can now provide your clients with a cash benefit in excess of 33p for every £1 spent on R&D.

Make your clients happy by introducing them to R&D tax credits

The relief is available to any company in any sector, yet the majority of companies who qualify fail to submit a claim. As a result they miss out on what is often tens or even hundreds of thousands of pounds in additional working capital.

There is innovation happening in nearly every business, the problem is that many do not realise it. This is the result of people's perception of the term "R&D" and its definition for tax – they are fundamentally different. R&D for tax purposes can encompass a lot more than people think.



...tax credits aren't limited to technical or laboratory research

Some expenditure that can be included in a R&D tax credit claim:



Your Payroll

Gross salary, employers' national insurance and employers' pension contributions. You may also include reimbursed employee expenses.



Consumables

Materials consumed during or transformed by the R&D activities. You may also include light, heat and water charges.



External Workers

Externally provided workers provided by a third party, such as agency staff.



Software

Software used on R&D activities.



Subcontractors

The cost of R&D activities subcontracted to a third party (e.g. testing services)

Ask us

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call: 0330 223 4 223

The rules surrounding each of the above categories are extensive. Guidance produced by HMRC may be found here: <https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird82000>



33%

this is what you
can claim back in
tax credits for
your clients

Software start-up recovers over £20,000

A Welsh start-up business found themselves in desperate need of cash to help fund their growth. LimestoneGrey successfully recovered over £20,000, enabling them to continue development.

So, what's the reason why companies don't claim what they're entitled to?

The number one reason is: Not knowing that this relief exists; and secondly: Not realising that what they do on a day to day basis could qualify. Commonly heard misconceptions include:

"We don't do R&D"

Companies don't need to be involved in laboratory research. Iterative improvements to existing products and processes can qualify. It is surprising.

"We are loss making so wouldn't benefit"

Companies can still claim and benefit from a cash payment from HMRC even if they make a loss.

"We have received grants so can't claim"

No matter what type of grant they may have received, a claim can still be made.

"Our R&D wasn't successful"

Companies can still qualify regardless of the outcome of the project.

Why are the government doing this?

Innovation is the lifeblood of our economy. Some companies may need it to stay competitive in a crowded market, others depend on it for survival. The purpose of the relief is to encourage innovation and reward those who are investing. We are in an ever expanding globalised economy, the government understand that the UK needs innovative businesses to succeed. The UK is not alone, nearly every industrialised economy has its own form of innovative tax relief.



what does a business need to do to qualify for tax credits?



1

A Project

This can be:

Creating something new

Improving something that already exists

Duplicating a rival's breakthrough

This can be in terms of a product, process, service, software or device.



2

Scientific or Technological Uncertainties

HMRC are interested in the journey, not the outcome. They want to see that there were specific technological or scientific challenges that needed to be overcome along that journey, that were:

Not readily deducible by a competent professional in the field (we are not saying an expert!)

Not solvable using publicly available information

What next?

Most, if not all accountants, will have clients that can benefit from R&D tax credits. As professional advisers, we have a duty to ensure that every client is aware of the relief and that their eligibility has been assessed to ensure that they are not missing out.

LimestoneGrey's specialist Chartered Tax Advisers can help explore this with your clients and are often able to spot qualifying R&D activities which others miss.

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Our experience. Our risk - not yours

Concentrated experience

R&D tax credits is all we do, day in day out. Our team successfully recover thousands of pounds for innovative companies, daily. By concentrating solely on R&D tax credits, our highly qualified tax specialists have a much deeper understanding of the legislation and HMRC practice.

Qualified

No matter how small your clients claim may be, it will be handled by a specialist Chartered Tax Adviser. As every adviser at LimestoneGrey is familiar with the full tax landscape, they have a more thorough understanding on how claims can interact with other areas of tax and business funding.

“The team are always responsive, conscientious and professional. LimestoneGrey is the ideal business partner to build long term relationships with clients that need R&D Tax Credits support.”

LimestoneGrey Referral Partner

Did you know?

Tax credits can benefit loss making companies as well as profitable ones.

A business can still claim R&D tax credits if they received a grant.

R&D projects do not have to be successful to make a claim.

You can claim for the two most recent accounting periods.

SME's can receive cash within 28 days of submission.

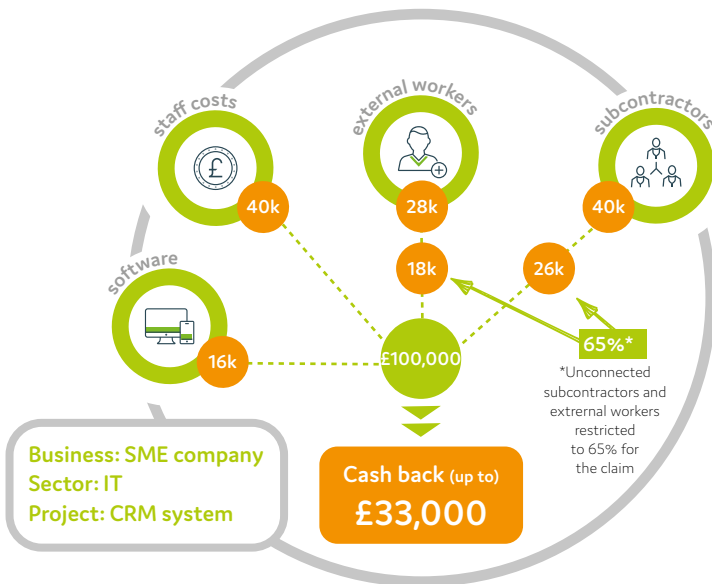
There are two types of R&D relief available (please call us for more information).

We know how to maximise the chances of success by ensuring the details are presented correctly on submissions.

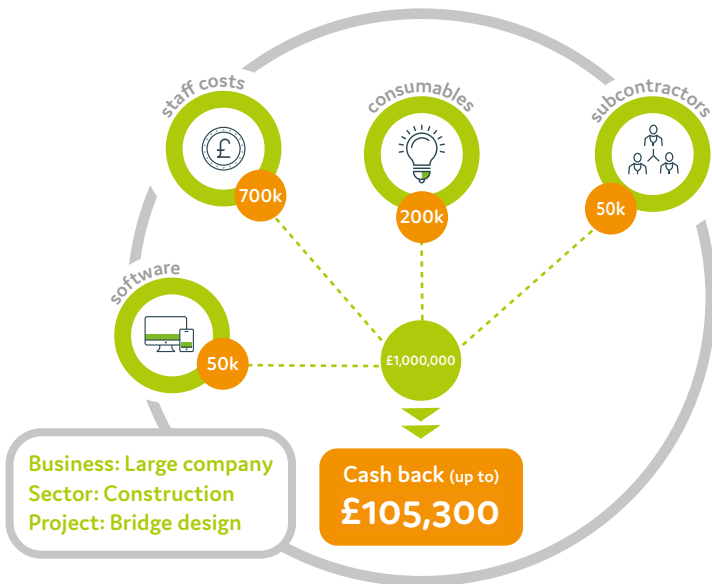


R&D Tax Credits in Practice

SMEs can claim up to 33p for every £1 spent on qualifying R&D activities.



Large companies can claim up to 11p for every £1 spent on qualifying R&D activities.



We exist to help you and your clients make successful research and development tax credit claims. We have a unique approach to R&D tax credits, making the claim process straightforward and stress free for both you and your clients. We offer a range of solutions to suit both of your needs, allowing you to earn commission on successful claims.

Partnership

Working in partnership with LimestoneGrey allows you to provide this valuable service to your client base without increasing your costs or workload.

Referral

Refer companies that you think could qualify for R&D tax credits for the benefit of the client and your business too.

Ad-hoc

Have a complicated or large R&D tax credit claim needing expert advice? Allow LimestoneGrey's specialist consultants to handle it for you.

Support

Have technical queries or require support to help you prepare a claim? Contact our experts for advice.

We do not tie your clients into fixed term contracts and do not charge enquiry fees (some companies will charge this as extra).

call: 0330 223 4 223

for more information on our referral schemes

Low contingent fee



Full service offering



Chartered tax advisers



R&D specialists



No minimum term



No hidden or upfront fees



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