

# Is your company making the most of R&D tax credits?



## R&D tax credit relief for your company

It's common knowledge that technology and science companies can apply for R&D tax credit relief. However, there is a whole host of other industries that are simply unaware they can reap the benefits of R&D tax relief too.

More often than not, rising costs actually stem from R&D strategies to develop new products and systems.

However, data from HMRC indicates that just 41% of eligible companies apply for R&D tax credits. There is plenty of scope for companies to:

- Seek to advance their knowledge
- Improve a service or product
- Solve uncertainties in the process

If you can demonstrate to HMRC that you can accomplish the above, you may be eligible for tax relief on certain parts of the project in question.

The amount of tax relief you can claim depends on whether you are an SME or a large company. Either way, you can receive a cash refund from HMRC if you're not profitable or a reduction of corporation tax liability if you are.

## R&D Tax Credits

A thorough analysis of your company activities may lead you to discover that there are a myriad of ways you can achieve innovation and stake a claim for R&D tax relief.

## How much R&D tax relief can your company claim?

SME's who make a successful claim can expect to deduct 230% of their R&D expenditure as a result of R&D tax credits. For instance, if you were to spend £100 attempting to develop new methods to extend a product's shelf life, on top of the original £100 deducted as a cost, you would receive a further £130 which you could use to offset your taxable profit.

## Getting started with R&D tax relief

You can claim for R&D tax relief yourself. However, the whole process can be tricky, which is why many businesses don't pursue it. Many businesses actually run the risk of over-claiming or under-claiming, with the former potentially leading to an investigation.

## R&D tax credit accountants in Glasgow

R&D tax credits are one of our specialist tax areas. We will be able to help you not only identify the claim but maximise it so you receive the best benefit possible. If you are unsure whether you are eligible for R&D tax credits, make sure you get in contact with us.