

# Research & Development Tax Relief for SMEs

## Money back for investing in innovation

Research and Development (R&D) Tax Relief is a Government tax break designed to encourage innovation by incentivising companies to develop new or improved products, processes, services or systems, enabling them to reduce their tax bill or claim tax refunds on a proportion of their R&D expenditure.

**24.7%** TAX REDUCTION FOR  
PROFITABLE COMPANIES

**33%** CASH BACK FOR LOSS  
MAKING COMPANIES

### **R** &D TAX CREDITS : HOW IT WORKS

R&D for tax purposes takes place when a project seeks to achieve an advance in science or technology. Eligibility is not limited to activities taking place in laboratories and science based research centres. R&D tax credits can often be claimed in far broader areas and various enterprises could qualify for significant tax reductions and gain a cash flow boost. Loss making companies can even claim back tax they haven't paid in the first place. R&D tax credits can be claimed from your previous two accounting periods.

### **W** HAT'S IT WORTH ?

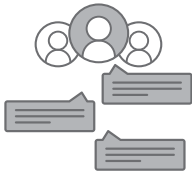
- Tax reduction or refund of up to 24.7% of eligible R&D expenditure for profitable companies.
- Up to 33.35% cash back for loss making companies

Expenditure includes:

- Staff costs of those working on a project
- Subcontractor costs (65% allowable)
- Materials, software and some overhead expenses

# Beavis Morgan – specialist advisers to owner-managed businesses and entrepreneurial thinkers

Beavis Morgan's highly skilled and experienced team has a 100% success rate in making successful claims on behalf of our clients across a variety of sectors.



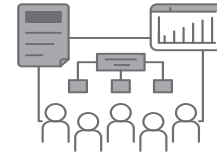
**Step 1**  
**Discuss**

At Beavis Morgan, we have made substantial successful claims for businesses across a range of sectors.



**Step 2**  
**Extract**

Extracting the relevant financial information to compile robust claims which we present to HMRC



**Step 1**  
**Liaise with HMRC**

Liaising with HMRC on your behalf to assist in the process of achieving R&D money back for you and your business

Below is a sample of examples where we have successfully helped businesses achieve tax breaks for investing in R&D:

Business	Project	Tax Benefit £
Motorsport Engineering	Design and manufacture of automotive components	608,000
Architect	Design utilising modern methods of construction	86,000
Sports Science	Scientific studies for injury prevention and head injuries in elite sport	430,000
Construction Consultancy	Innovative software solutions for construction	145,000
Self Storage	Software development and data analytics	26,000
Surface Coating	Design and application of high performance surface coatings for renewable sector	225,000
Advertising Agency	Creative and technical innovation in digital marketing and events	97,000

Our specialist team at Beavis Morgan can help you with all aspects of your R&D tax credit claim, including:

- Ascertaining whether you are eligible to qualify
- Identifying and capturing expenditure on qualifying activities
- Preparing a robust report for submission to HMRC
- Being prepared for and managing an enquiry by HMRC

**Speak to us today to find out how you can benefit from the R&D tax credits – but remember the 2 year time limit !**

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