

We have many years' experience in making Research & Development (R&D) claims

WHY CHOOSE US

Our dedicated team is committed to understanding your goals, so we can provide you with the best advice tailored to your needs. Our R&D team's hands on approach and decades of experience means we are here to guide, reassure and take away as much of the burden as possible.

We know R&D can be daunting, so we encourage an open dialogue and provide clear recommendations on what eligible benefits would be suited to your business, and how we can help you with your journey. Clients can be confident that when they choose to partner with us, they not only gain access to our expertise but also benefit from the industry insights we bring to the table.

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WE HELP SIMPLIFY R&D COMPLEXITIES, ENSURING ACCURACY AND EFFICIENCY IN THE PROCESS

We pride ourselves on guiding clients in diverse sectors through the intricacies of R&D tax relief; our expertise spans all industries and company sizes. Many businesses may be eligible for this tax relief without realising it. We conduct a thorough analysis of your company to uncover eligible benefits, providing you with the freedom to pursue your business ambitions.

Qualifying R&D activities span industries like pharmaceuticals, life sciences, software, technology, automotive, engineering, and manufacturing. Eligibility isn't confined to these sectors, and we ensure businesses outside are not overlooked. R&D is a complex and often-misunderstood process, we help guide clients through their R&D claims, offering expert support in this intricate landscape. There are two schemes available for claiming relief, depending on your company size. These will be merged and revised for accounting periods beginning after 1 April 2024.

> **Small or Medium sized Enterprise (SME) Scheme**

SME companies can claim R&D tax relief on 186% (230% until 1 April 2023) of their qualifying revenue expenditure on R&D. If your company is profitable, the relief is just under 21.5% (previously 24.7%). If your company is loss-making, which is often the case after the increased deductions available under the R&D scheme are claimed, you can surrender the tax loss arising to HMRC for a 10% credit (previously 14.5% and in some instances still 14.5%). Under this scenario the overall tax saving is 18.6% of the qualifying expenditure.

> **Large Company Scheme/RDEC**

The RDEC (R&D expenditure credit) scheme offers a tax credit of 20% (for periods prior to 1 April 2023 this was 13%) and enables companies to get a tax credit worth 15% of the cost of qualifying R&D activities. Unlike the scheme for SMEs, this rate remains the same whether you are profit or loss making.

What Expenditure Qualifies?

R&D qualifying revenue expenditure can include:

- > Salary costs (including employer's NI and pension contributions) for employees directly involved in the R&D work, and of those indirectly involved in eligible R&D projects.
- > 65% of R&D subcontracted to third parties, and externally provided workers involved in the R&D.
- > The cost of consumables, software licenses and power, fuel and water used in the R&D projects.

INTERESTED?

Let our team of R&D professionals help with your R&D claim, so you can free up your valuable time. Email hello@gravita.com or call 020 7309 3800 for a complimentary discussion about your tax needs and how we can help you.