

# R&D TAX CREDIT SAVINGS

Your essential guide to squeezing more juice out of your R&D tax credit claims (or making the most of your first claim!)

## OVERSEAS DEV TEAM

Your development team don't have to be in the UK to qualify for R&D tax relief. The only thing that matter is that your company is registered for tax in the UK. So overseas team members or subcontractors can be included in your claim.



## WATCH OUT FOR GRANTS

Applying for grants e.g. Innovate UK etc, can negatively impact the size of your R&D tax claim. So it often pays to crunch the numbers before applying. Even if you do receive grant funding, you can still benefit from R&D tax relief too (just less).

## CLAIM FOR PAST PROJECTS

You can make retrospective claims for projects that took place in accounting periods ended in the past two years. So don't miss out on claims for past projects or opportunities to review and improve historical claims.



## EMPLOYEE COSTS ARE KEY

Although it is common for software dev companies to subcontract out development work or to use temporary agency staff, this can massively reduce available R&D tax relief. Non payroll team members are subject to a 65% cap on their costs before any further % adjs for contribution to R&D. PAYE staff are not...

## FOUNDERS REMUNERATION

Founders of more established companies may extract their remuneration primarily by way of dividend. Consider whether a salary might be more beneficial overall for your tax position once R&D tax relief is taken into account...

