

# R&D Tax Relief in Breweries & Whisky Manufacturing

We've learnt a thing or ten while successfully completing over 4,500 R&D tax credit claims, which we're happy to share with you here.

In this booklet you'll find some information on:

- R&D in Breweries & Whisky Manufacturing.
- Potential areas of eligibility for R&D tax credits.
- The everyday challenges that might make you eligible.
- Eligibility questionnaire.
- Why Jumpstart?



# R&D Tax Relief in...

## Breweries & whisky manufacturing

Introduced by the UK Government in 2000, the R&D tax relief scheme is designed to encourage innovation and global competitiveness by allowing companies to reclaim some of the money invested in qualifying research and development. R&D tax credits are generally considered to be one of the most attractive tax reliefs available, often resulting in significant cash repayments from HMRC.

### What are the benefits?

The benefits of the programme include increased cashflow, which is especially important to small, developing companies. It also encourages development of a corporate philosophy that embraces innovation and improvement.

### Do you qualify?

A common misconception is that the scheme is just for companies with R&D departments and men in white coats. The fact is that any company that spends money trying to improve a product or service through a technological advance, using qualified staff and appropriate project controls, and where there's doubt about the project's success, is likely to be eligible.

### R&D in breweries & whisky Manufacturing

Making; changing; improving or attempting to overcome technical or manufacturing problems are all indicators for eligibility for R&D tax relief. Beer brewing and distilling alcohol are similar in that they both produce an alcohol product.

Beer is still produced in a traditional multi-stage process that breaks down natural starches into sugars. Brewery starches are usually derived from cereal grains. Yeast organisms are then used to ferment the extracted sugars producing alcohol as a natural by-product. Hops, are also a crucial component of the brewing process, imparting flavours, aromas and bitterness to the beer.



*Here we are a few months later with a pot of money we are delighted with. We've invested it again and have already toasted our friends at Jumpstart with a BrewDog beer!*

*Would I recommend Jumpstart to others? Yes, their people are bright, the process is fast and the outcome is brilliant.*

**James Watt, Managing Director**  
BREWD OG





*We were recommended Jumpstart by our accountants, so had absolutely no hesitations in working with them to receive R&D Tax Credits.*

*The most attractive feature was the fact they deal directly with HMRC on your behalf - submitting your claim once complete, following up on awarding the benefit and also the confidence of having them defend you should any queries arise.*

**Nigel Ramsey, Financial Controller**  
MOORHOUSE'S BREWERY



## R&D in breweries & whisky Manufacturing

The distillation of alcohol to produce spirits e.g. whisky, also involves producing sugars from cereal grains and adding yeasts to ferment these sugars. The resulting liquid is then distilled until the alcohol content reaches the desired level. Spirits such as whisky are then matured in casks where it becomes smoother, gains flavour, and draws its golden colour from the cask.

## What are the potential areas of eligibility?

A vast range of activity, which could include:

- Elimination of artificial preservatives/ additives.
- Investigation of new filtration methods.
- New Product Development:
- Trials with new raw materials.
- Trials with new production methods.
- Changing alcohol content of a product.
- Scale up to production of a new product.
- Extending shelf life of product.

## What problems might a company face?

- Problems caused with variation in raw materials.
- Ingredient stability and performance (e.g. colourings, additives, clouding).
- Scale-up of batch processes.
- Poor shelf life products.
- Poor production efficiency
- Poor ingredient/enzyme performance due to process changes.



### Expert Advice

Have a thorough understanding of HMRC guidelines. Never claim for work that is uneligible. Tie the claim back to guideline specifics. Use 'user-friendly' language in application: It is vital that the technical report is clear and intelligible



*After our accountant informed us they could not provide the technical expertise required to make an R&D Tax Claim, we knew working with Jumpstart was the right choice*

**Graham Coull, Managing Director**  
TSA BREWING COMPANY



## Eligibility questionnaire

If you can answer 'Yes' to most of these questions then, based on our experience across thousands of clients, it looks like you could have a successful claim:

- Have you developed new tools, products or services using technology?
- Have you tried to improve your existing products through technical changes?
- Have you had to resolve technical problems with any of your products?
- Have you found more efficient ways to produce your products or services?
- Have you experimented with new equipment or production techniques?
- At the start of a project, did you ever think 'I'm not sure of the best way to do this'?
- Have any of your projects failed for technical reasons?

## Why Jumpstart?

**There is no substitute for experience and expertise.** Experience gained through years of daily involvement in putting together thousands of successful R&D tax claims. Expertise built through a detailed programme of training and study, maintained and regularly enhanced.

We have helped literally thousands of businesses, some of whom had no idea they would qualify, to recover over a WHOPPING £100M in R&D tax relief benefits.

**R&D Tax is all that we do.** We do it really well, and we believe that our experience and expertise could help your business.

## About Jumpstart

Jumpstart are the UK's leading R&D Tax Relief specialist. We employ PHD-qualified scientists and engineers who are also experts in HMRC's guidelines. With thousands of successful claims under our belts, we can help you secure the tax relief you're entitled to. **CONTACT US FOR A FREE R&D TAX CREDIT CONSULTATION AND ANALYSIS OF THE POTENTIAL RETURNS YOU MIGHT EXPECT.**

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