

UNLOCK THE HIDDEN CASH

in pump and valves projects with R&D tax credits.

Many businesses operating in the valves and pumps manufacturing sector push technological boundaries on a daily basis.

Innovations in material technology and electronics, together with improvements to manufacturing processes has enabled the industry to develop in recent years.

The requirement for pumps, valves and actuators to reliably operate at increased pressure, temperature and/or frequency, alongside industry demand for intelligent control systems to enable better diagnostics and improved maintenance, has resulted in appreciable advances in the underlying technology.

AND, EVEN THOUGH MANUFACTURERS OF PUMPS AND VALVES ARE SPENDING STAGGERING AMOUNTS ON DEVELOPING NEW TECHNOLOGIES, VERY FEW ARE ACTUALLY CLAIMING THE HUNDREDS OF THOUSANDS OF POUNDS IN R&D TAX RELIEF THAT THEY ARE ENTITLED TO.

In the current economic climate, it's still surprising that more hydraulics engineering businesses don't explore all of the tax incentives available to help lighten the burden by either reducing tax payable and or if applicable, securing a tax repayment.

R&D tax relief

R&D tax relief is one of the government's most generous forms for tax relief. It's available to all kinds of businesses, and has proven very lucrative in the past for companies in the process & manufacturing sector. It's worth investigating too: for every £100 of qualifying R&D expenditure, relief is available at £25.00 for profit-making SMEs and £33.35 for loss-making SMEs. While for Large Companies for every £100 of qualifying R&D expenditure, relief is available at £10.





We were totally stunned at the amount claimed, we really couldn't believe it. The tax benefit has since allowed us to reinvest the money, buy new machinery and hire 2 new people. What a great result!

| ROD WAH
| MANAGING DIRECTOR
| BEVERSTON ENGINEERING



Does your business qualify?

If your business spends money in paying qualified staff to attempt to solve what at first appears to be an un-solvable problem, and as a result, you are improving a product/service, you could indeed be eligible for tax relief.

What qualifies in pumps and valves technology projects?

Over the last few years, Jumpstart has helped pumps and valves technology clients to claim for many diverse projects. The list is by no means exhaustive, but it does give you an idea of the types of work in your sector that could well be eligible for R&D tax credits.

- Improvement to the mechanical properties of components
- Developing improved forging processes for the manufacture of critical components
- Increasing the surface hardness of component parts
- Development of a modular, extendible, high pressure, reverse osmosis pump
- Appreciable improvements to the seal methodology of a concrete pump
- Development of techniques and methodologies to reduce vibration effects in pumps
- Improving the accuracy and reliability of a turbine, water lubricated pump test rig
- Development of an ultra-high efficiency boiler feed pump
- Development of a modular 12-stage motor driven reactor feed pump
- Developing a test rig to increase operating head of subsea multiphase oil and gas pumps
- Developing industrial control valves and test rig technology capable of simulating real world service conditions
- Appreciable improvements to the accuracy of water hydraulic proportional valves
- Developing improved performance high pressure water mist zone valves

If your company is advancing technology through the resolution of technological uncertainties then, congratulations! You can claim R&D tax relief on its day-to-day costs and expenditure, including things like staff, subcontractors, materials, software and utilities.



With the technical expertise of Jumpstart, we saw a massive increase in the money returned for the R&D we had invested in and, now that we have seen what HMRC considers eligible expenditure, I hope our future claims with Jumpstart will be every bit as strong.

| JAMES S MILNE
| CHAIRMAN
| BALMORAL GROUP



Things to watch out for when making a claim

One of the problems involving claims for R&D tax relief is **separating the routine parts of a project from the non-routine**, especially when dealing with large, high-value, complex 'first-in-class' items.

HMRC recognises that 'first in-class' items can entail a significant level of innovation, and that the production of such an item can involve one or two R&D projects. However, **HMRC doesn't expect the entire build cost of the item to qualify for R&D tax relief.**

It's very important that companies identify and assess which parts of the 'first-in-class' items contribute towards eligible expenditure. That's why it's always wise to seek professional advice before undertaking a claim.

Involving specialist advisers, such as Jumpstart, also helps you to submit your claim in the most efficient way possible, since you'll benefit from the streamlined processes and years of experience they've built up submitting thousands of R&D tax credit claims successfully.

With support from the right specialist advisers, you'll be able to:

- demonstrate which of your activities qualify under the scheme;
- open up a new revenue stream to fund further R&D projects;
- learn how to make the best use of the scheme going forward.

Jumpstart can help

Since inception 10 years ago, we have identified and documented over £500 million of eligible spend and realised £100 million benefit for our clients. All on a no-win, no-fee basis. And right now, they're submitting an average of 500 claims per year to HMRC.

For a free R&D tax credit consultation and analysis of the potential returns you might expect from your projects, contact the Jumpstart team

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.

JUMPSTART YOUR R&D TAX CLAIM TODAY.

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