

R&D TAX RELIEF CLAIMS.

What's The Risk?

There were over 39,960 R&D tax credit claims in the UK for FYE 2016; it's anybody's guess as to how many of them were correct?

The HMRC machine for evaluating and approving them is getting better, but it's far from perfect, and inevitably many of the claims that still go through will be wrong.

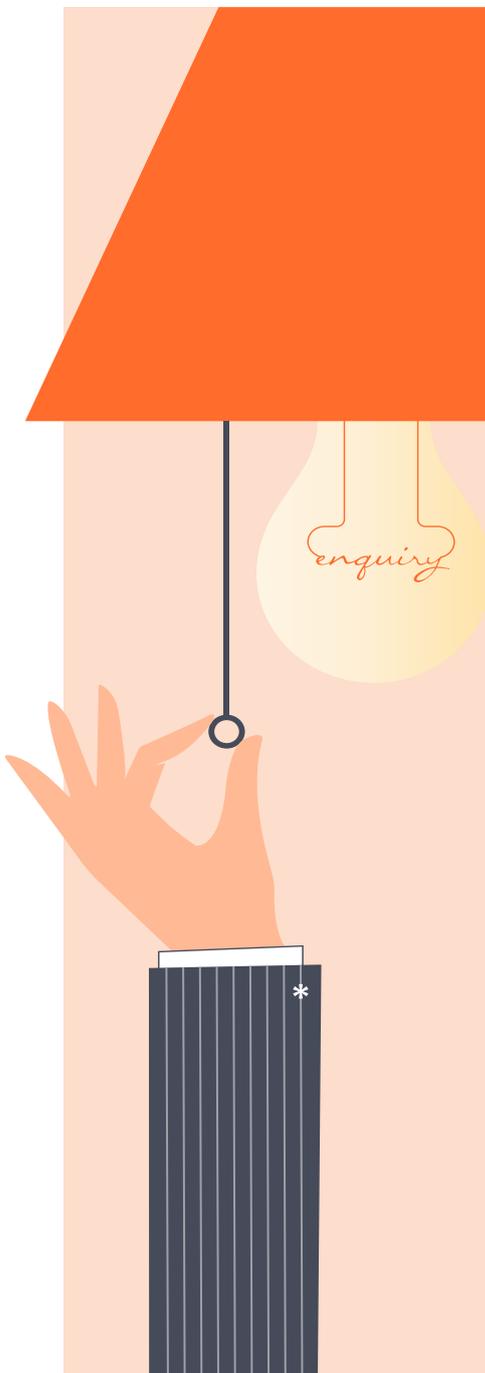
THERE WILL BE SOME CLAIMING TOO MUCH AND OTHERS NOT ENOUGH; THERE WILL ALSO BE SOME WHO SHOULD NOT HAVE CLAIMED AT ALL.

The government wants to ensure that only those entitled to tax benefits gain access to them, and this also applies to R&D tax credits. You can expect to see continued improvements in the diligence of HMRC when it comes to assessing the validity of future claims, this in turn will result in more **questions and enquiries**, a time consuming and on occasions a costly outcome. It's also inevitable that some past claims will be reviewed again in the future as HMRC's processes and technologies improve, a successful but incorrect claim will have inherent risks.

Know the risks.

Claiming for R&D tax credits is complicated. At around 500 pages long, the legislation is difficult to understand and interpret. You also need to know what technical information to include and be aware of any potential technological advances involved. Without all this, you're risking submitting an inaccurate claim.

If your claim is not accurate, you could lose thousands in relief or face the inconvenience of an HMRC enquiry or the pain of substantial penalties. HMRC Inspectors might even pay you a visit and your past and future tax claims could all be scrutinised too.



CASE STUDY.



HMRC open a compliance check on R&D tax credits claims of Company A and Company B:

COMPANY A goes back to the paperwork and checks their R&D tax relief calculations. Company A offers that they made an error. HMRC see this as a “prompted disclosure” and penalty will be between 15 and 30% of the tax relief over-claimed.

COMPANY B has, in HMRCs view, deliberately over-claimed R&D tax relief, knowing that they should not, then this could attract the next tier of penalties, 30-70%.

The most common problem we see from clients who have used other providers or self-claimed is where HMRC have asked for a full retraction of the claim. And it's not just that year's relief that is at risk - it's the annual relief in the future that will be almost impossible to justify if you cannot win an argument with HMRC on retraction of a claim.

That is where Jumpstart can help.

We are R&D tax relief specialists - with a team of technical experts that includes PHD trained scientists and engineers. Our Technical Analysts are not only industry sector experts, but equally knowledgeable when it comes to the scheme legislation. If you have eligibility, no one is better equipped to find it for you.

The efforts we put into recruitment and training, combined with the sheer volume of claims we submit, means that Jumpstart's level of knowledge is unequalled.

This means that we are ideally placed to assess whether any of your previous claims completed by others contain any inherent risks or opportunities. We can work with you to identify these extra opportunities and to identify and mitigate risks before they escalate into HMRC enquiries.

DON'T RISK IT.

The numbers say it all.

We only see less than 1% of our claims submitted annually being spot-checked by HMRC. This is entirely due to our well-trained, experienced staff and our quality processes. These guarantee a robust, persuasive narrative and properly assessed figures.

We've defended each and every queried claim successfully, achieving a 100% strike rate for our partners and clients.

This means that we maintain an excellent reputation with HMRC, who see us as experienced, knowledgeable and reliable when write persuasive narratives for R&D relief claims.

IF YOUR R&D PROVIDER IS GETTING YOU TO WRITE YOUR OWN NARRATIVE WITH LITTLE GUIDANCE, OR YOU WRITE YOUR OWN, A TASK YOU DO ONCE A YEAR ONLY, CAN YOU BE SURE YOU HAVE PROPERLY REDUCED YOUR RISK OF ENQUIRY?

Don't risk it.

Engaging the right provider early on will almost certainly minimise the risk and time involved in your claim. Working together with Jumpstart could make a big difference to the accuracy and value of your claim.

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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