

# RESEARCH AND DEVELOPMENT (R&D) TAX RELIEFS

A VALUABLE OPPORTUNITY

## WHAT IS R&D TAX RELIEF?

The R&D Tax Relief regimes are aimed at encouraging UK companies to invest in research and development through the provision of significant tax incentives for certain types of R&D activity. In essence, if your company engages in innovation or technologically challenging work to improve or develop a product, material, tool, service, approach or process you may be able to claim relief under these regimes. The benefit is currently worth up to 33.35% of qualifying expenditure for SMEs, whilst large companies can claim a post-tax credit of 9.7% (increasing to 10.5% for expenditure incurred on or after 1 April 2020).

## WHO ARE WE?

ela8 is a specialist R&D tax relief consultancy and a member of Buildoffsite. Established in 2007, and with experience stretching back to the introduction of the regimes in the UK, we have worked alongside numerous businesses to help prepare R&D claims that optimise the relief available. We have a portfolio of clients that includes companies of all shapes and sizes and across all sectors, supporting construction, software, technology, pharmaceutical, engineering, energy and telecoms. Our affiliation to Buildoffsite and support for its members means that we have strong experience and reputation in both traditional and offsite construction sectors. ela8 has a 100% success rate in making claims and we enable our clients to focus on their core business while we take care of their claim. In terms of cost, we usually work on a contingent fee, so we don't get paid unless your claim is successful.

## HOW CAN WE HELP?

The world has changed significantly in the past few months as a result of the global pandemic and in the UK many businesses are struggling with the harsh new economic realities and operating within stringent financial constraints. Like many others, the construction industry has been severely impacted and remains vulnerable. However, the government remains keen to encourage ongoing research and development that materially improves the efficiency of delivery of construction projects through R&D tax incentives and we have clients who have benefitted from making successful claims in recent weeks, generating cash at a time when it is most needed. There are still many businesses in this sector that either overlook their potential to claim R&D Tax Reliefs or fail to fully optimise their claims – and this is where we can help. Typically, the R&D activities in the offsite constructor sector relate to:

- Development in or improvements to manufacturing and production processes, such as new tooling, technology or engineering approaches
- Development of new prototype materials and structures, as well as the associated technologies used to connect, transport and finish modules
- Development and integration of environmentally friendly methods or sustainable technologies that minimise waste, repurpose materials or enhance environmental performance
- Any process, approach or technology innovations that help offsite construction projects meet new building, health and safety or fire regulations.

## WHAT DO I DO NEXT?

If you feel that you may be carrying out R&D activities as part of your business and would like more information, please do not hesitate to visit us at [www.ela8.co.uk](http://www.ela8.co.uk), contact Mark or Deepash on 0203 7407172, or otherwise email us at [mark.davis@ela8.co.uk](mailto:mark.davis@ela8.co.uk) or [deepash.patel@ela8.co.uk](mailto:deepash.patel@ela8.co.uk).