

THE CASH BACK AND TAX RELIEF CALCULATIONS EXPLAINED

In profit and taking the cash

and the R&D tax benefit is **SMALLER** than your corporation tax payment

Amount of credit as % of R&D qualifying expenditure depending on the date

25.00% to 26.00%

Example:

£150,000 R&D qualifying expenditure =
£37,500 to £39,000 cash back

In losses and taking the cash

and the R&D qualifying expenditure is **SMALLER** than your losses

Amount of credit as % of R&D qualifying expenditure depending on the date

24.75% to 33.35%

Example:

£150,000 R&D qualifying expenditure =
£37,125 to £50,025 cash back

In the 90:10 trap and taking the cash

but the R&D tax benefit is **LARGER** than your corporation tax payment or the R&D qualifying expenditure is **LARGER** than your losses

Amount of credit as % of R&D qualifying expenditure depending on the date

13.75% to 21.75%

Example:

£150,000 R&D qualifying expenditure =
£20,625 to £32,625 cash back

The best and worst case scenarios:

£150,000 R&D qualifying expenditure would result in a **£37,500 to £39,000** tax benefit.
Depending on your tax position, you could opt for a cash payment instead, ranging from = **£20,625 to £50,025**