

Energy harnessing.

R&D tax relief

R&D tax relief - energy harnessing.

Significant research and development has been prompted by UK government targets to achieve 10% of energy generation from renewable sources by 2010 and 20% by 2020.

Benchmarks for best practice have been drawn up for the harnessing of energy through wind turbines and in the fast emerging marine energy industry to stimulate the development of wave and tidal power systems.

There are strict rules covering R&D tax relief claims. Our specialist R&D team will ensure that the claim is accurate and will stand up to any HMRC scrutiny. If the right boxes are not being ticked in terms of what qualifies under the R&D legislation, any claims against this scheme will come to nothing.

For this reason many potential energy harnessing claims are not even attempted, because many companies are rightly reluctant to spend significant amounts of time and money with no guarantee of success.

We can make the whole process simple by preparing a claim on the company's behalf. We provide the right information in the right format so that HMRC can quickly agree the R&D claim.

Typical qualifying claims

- Development of a low cost, safety critical radar absorbing material for wind turbines, nacelles and towers. Overcoming issues around serviceable life, installation to new and existing turbines, reduction of radar ghost signals by 50% and issues of weathering.
- Development of an inverter which can produce high quality electricity. After 10+ prototypes were built and trials undertaken, new and different construction of the electronics within the inverter resulted in improved turbine payback period over existing methods, making an appreciable improvement to an existing process and product through scientific or technological changes, thus qualifying as R&D.
- Research and development into construction of a sophisticated hydraulic cylinder for use in wave and tidal power devices. Overcoming issues regarding oil and seawater and the main technological uncertainties surrounding its reliability, maintainability and ability to survive in harsh sea conditions.

These are examples of what you may be doing, but if you can do them by following routine or conventional methodology then the claim will not be qualifying.

Contact us to receive a free health check and one of our experienced R&D advisers will be able to ascertain whether the development activity qualifies. If you are unsure at this stage, a telephone conversation with one of our advisers will be able to definitively establish whether or not a claim can be made.

Mitchells Chartered Accountants & Business Advisers

91-97 Saltergate

Chesterfield

S40 1LA

Tel: +44 1246 274121

Email: consult@mitchellsaccountants.co.uk

www.mitchellsaccountants.co.uk/r-d-tax-credits