

Food and drink.

R&D tax relief



R&D tax relief - food and drink.

Experimental development features strongly in many food and drink companies' R&D, which is often driven by consumer trends and demands, specialist dietary requirements and of course changes to food safety and hygiene standards.

The food and drink industry itself uses the biological and chemical interactions between ingredients and their response to various methods.

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 food & drink 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

- To remove reliance on foreign and expensive imports, an innovation to develop a unique alcohol base which is compliant with EU Law and usable with other ingredients already in use. Hence, using science and technology to 'create a product that is built in a fundamentally different manner'.
- Development of a cost effective transparent label using paper labelling machines, overcoming glueing and aesthetic issues and 'making an appreciable improvement to an existing process through technological changes'.
- Development of a pet food to assist the immune system, digestion and mobility of pets by incorporating a number of previously untried ingredients and technologies, thus offering a unique product achieving joint protection and pro-biotic qualities.
- Developing an alternative for current binding product which is costly, leading to cost improvements and new knowledge based around the use of a new protein as a binding agent.
- Development of a vitamin mixture offering unrivalled animal nutrition, along with significant cost savings.

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. The legislation essentially dictates that you have to be doing something that others in your industry are not doing.

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.

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