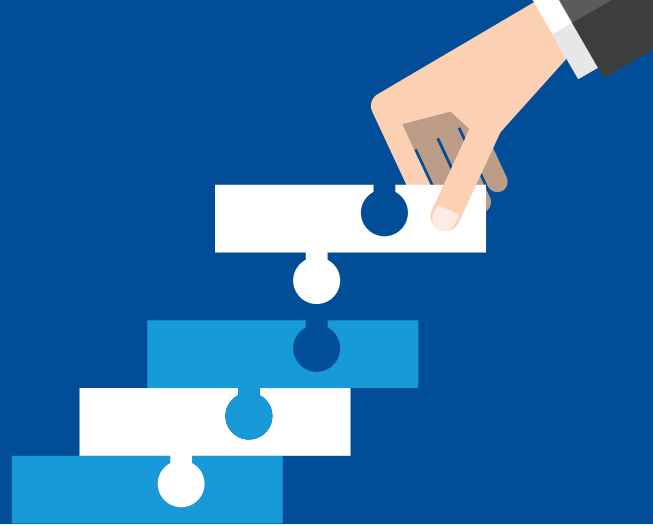
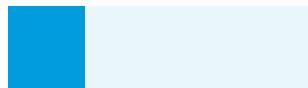


The research and development tax credit



What is the research and development ("R&D") tax credit?

25% tax credit
for every euro incurred



tax credit

OR



cash
refund

Cash refund:



Claimed over
3 years.

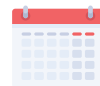
Limited to the greater of:



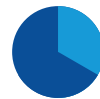
corporation tax paid
in 10 years prior to
the previous period,
or



sum of payroll tax
liabilities in relevant
and prior periods.



12 months to claim from end of
relevant accounting period.



+12.5% trading deduction = 37.5%
net subsidy.



Available to companies within the
charge to Irish tax.



Claimed on a group basis.



R&D must, generally speaking, be
undertaken within the European
Economic Area (EEA).



Must net out grants received from
the State, the EU or EEA.

What expenditure qualifies for the credit?



R&D staffing costs:



Salaries



Medical
insurance



Pension



Bonus



Employer
PRSI



Raw materials / consumables.



Subcontracted R&D: limited to $\leq 15\%$
(third-party) or 5% (third-level
institution) of overall R&D spend, or
€100,000.



Power consumed in R&D process.



Plant and machinery: Used for R&D and
eligible for wear and tear allowances.



R&D buildings: $\geq 35\%$ used for R&D for
4 years; in use for 10 years.

Are you doing R&D?



Generating new knowledge.



Overcoming technological challenges.



Developing technological solutions.



Undertaken by an experienced professional.

Revenue audits

Revenue generally has 4 years from the end of the year in which the claim is made to commence an audit.

An audit could comprise:



financial and
tax technical

and/or



scientific /
technological



Company must maintain
sufficient documentation to
support the claim.

KPMG's R&D Incentives Practice

We prepare R&D tax credit claims on either a contemporaneous or retrospective basis, tailored to each client's requirements. Our bespoke claim methodologies have been tried and tested under a significant number of Revenue audits; we also provide support during Revenue audits of claims prepared without KPMG assistance.



Pre-R&D advice



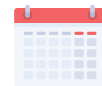
Claim preparation



Revenue
audit support



Appeals /
court support



Est. 2004

Ireland's largest, longest
established, and most
experienced R&D tax credit
practice.



20+ multidisciplinary
professionals: tax, finance,
science and engineering.



We have worked with
companies of every size and
scale from every sector.



Revenue audit experience in
all sectors.

Contact us

kpmg.ie/rd



Ken Hardy
*Partner, R&D Incentives
Practice Leader*

T: 01 410 1645
E: ken.hardy@kpmg.ie



Damien Flanagan
Director

T: 01 700 4214
E: damien.flanagan@kpmg.ie



Emma Fidgeon-Kavanagh
Director

T: 01 700 4086
E: emma.fidgeonkavanagh@kpmg.ie



Terri Treacy
Director

T: 091 53 4641
E: terri.treacy@kpmg.ie