

R&D Incentives tools: R&D project start and end dates



Determining the start and end dates of an R&D activity is essential to the preparation of a compliant R&D tax credit claim, as this can define the boundaries for the inclusion of eligible expenditure.

Costs incurred after the R&D activity ends (i.e. after the uncertainties have been resolved) are not eligible for the purposes of the R&D tax credit.

Documentation

It is important to ensure a project's objectives have been properly identified and articulated and that there is sufficient documentation to support all positions taken. The start and end dates of the project should be clearly evidenced by the supporting evidence. This is a particularly important point to consider where activities are at the borderline between R&D and commercial activities, such as user acceptance testing, validation activities and scale-up.

Examples of supporting documentation include:

- **Project Initiation Document (PID);**
- **Gantt chart;**
- **Project charter;**
- **Statement of work;**
- **Status report;**
- **Budget;**
- **User requirements;**
- **Feasibility study;**
- **Etc.**

Project lifecycle for the R&D tax credit

Start of project

The point at which the scientific / technological uncertainties are identified and/or at which work to resolve the uncertainty begins.



Project continues

The continued presence of a scientific / technological uncertainty and the systematic, investigative or experimental activities undertaken to resolve it.



Start of project

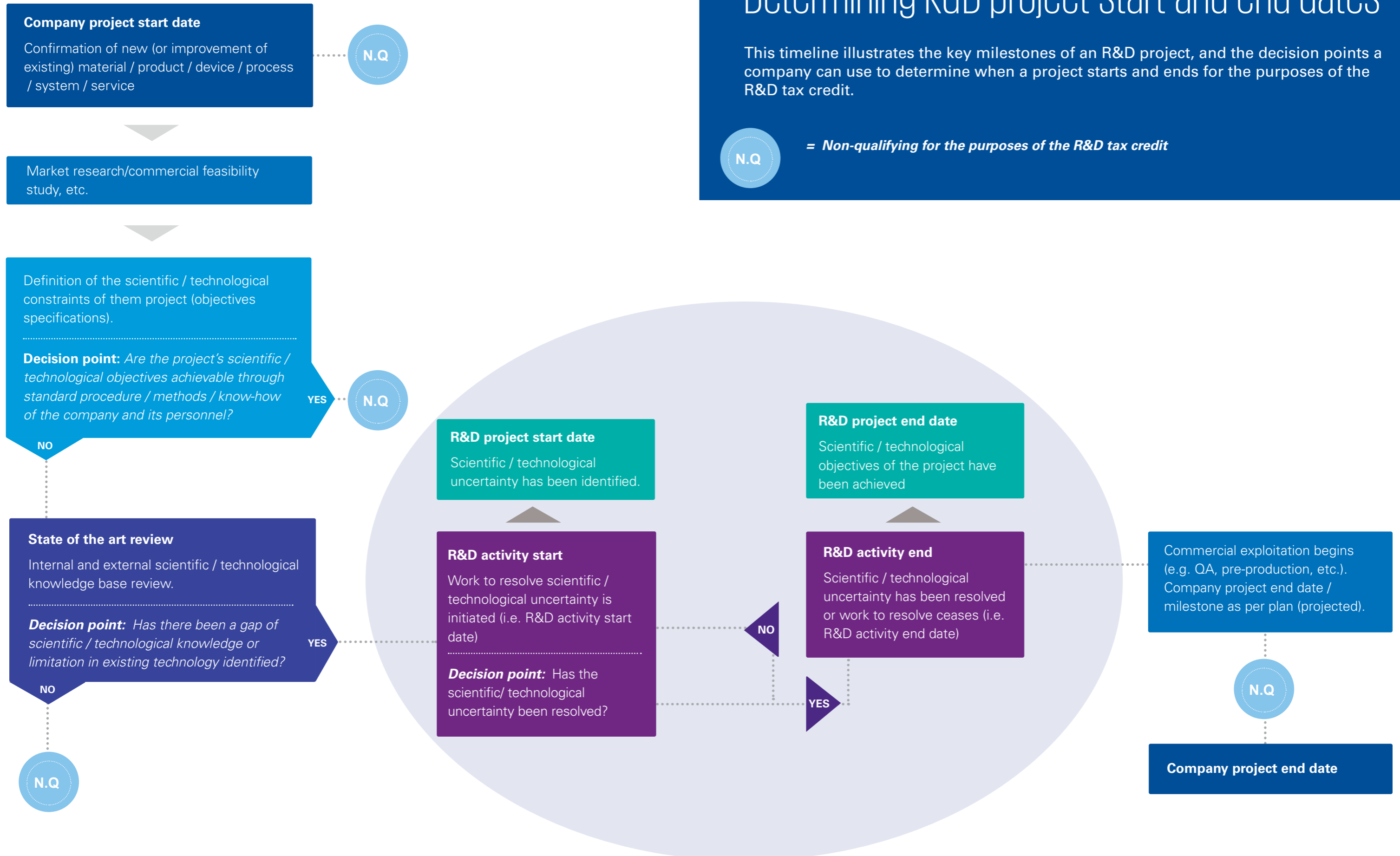
The point at which the scientific / technological uncertainties associated with the project have been resolved.

The timeline overleaf indicates how the start and end dates can be determined for an R&D project.

Determining R&D project start and end dates

This timeline illustrates the key milestones of an R&D project, and the decision points a company can use to determine when a project starts and ends for the purposes of the R&D tax credit.

N.Q. = Non-qualifying for the purposes of the R&D tax credit



Qualifying Activity

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

R&D tax credit tools

KPMG's R&D Incentives Practice has developed a suite of tools designed to assist our clients in the planning, preparation, and support of R&D tax credit claims.

Many of our tools are available in the form of a training webcast, so they can be viewed by your team at their convenience. Contact us for more information.

Supporting the claim



K-Soft



"State of the art" review



Documentation review



Outsourced R&D activity audit



R&D project start/end dates



TIR training



Scientific/technical claim methodology



Finance claim methodology

Interaction with Revenue



Mock Revenue audit



Revenue audit support and rescue



Appeals support

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



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



Emma Fidgeon-Kavanagh
Director
T: 01 700 4086
E: emma.fidgeonkavanagh@kpmg.ie



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



Terri Treacy
Director
T: 091 53 461
E: terri.treacy@kpmg.ie