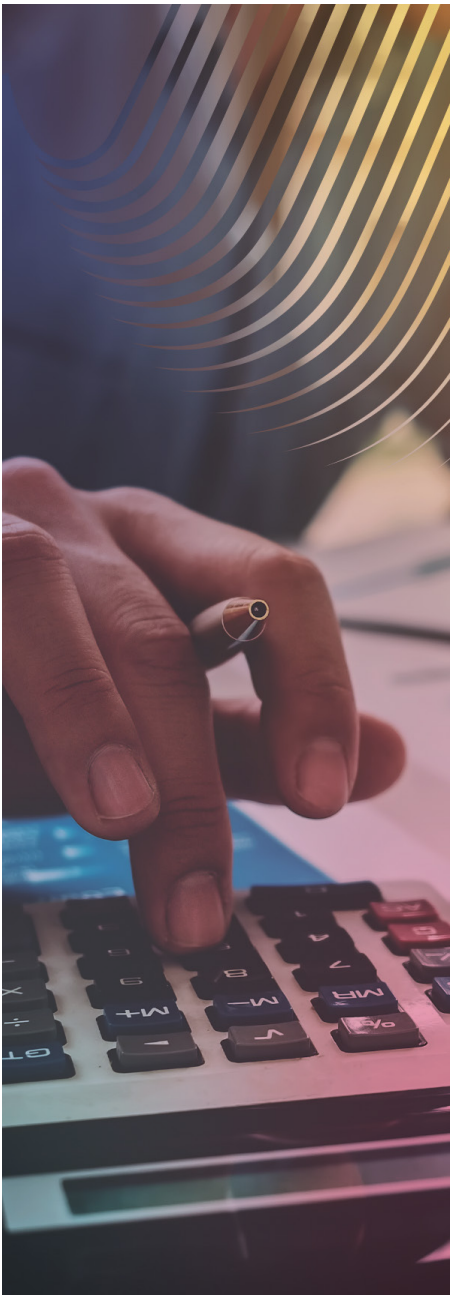


Almost half of R&D claims submitted last month declared invalid by HMRC

Recent adjustments to the submission process for R&D tax relief claims in the UK have caught many companies off guard. And the consequences are significant, with nearly half of all claims submitted since August 8th being declared invalid by HMRC.



WHAT LED TO THIS WAVE OF REJECTIONS?

The root cause of this issue lies in the **new documentation** requirement introduced by HMRC 4 weeks ago.

As of August 8, 2023, all R&D relief claimants are required to complete an Additional Information Form (AIF) alongside their claims. The AIF includes details of qualifying expenditure and contact details for the main R&D contact at the company and any agent involved in the claim. **Failure to include this form renders the claim invalid.**

WHAT DOES THIS MEAN FOR CLAIMING BUSINESSES?

HMRC has started sending letters to the companies that have failed to complete the new forms, notifying them of the invalidity of their R&D claims unless they take prompt action and revise their submissions. While some companies will manage to amend their submissions before the deadline, others might not have the time or resources to resubmit the paperwork and, as a result, **may lose their claim altogether.**

WHAT CAN YOU DO TO MINIMISE THE RISK OF REJECTION?

To avoid the possible risk of losing a claim, it's important to ensure that:

- ✓ an AIF is submitted before any R&D relief claim, and
- ✓ that you comply with the other changes to the submission process that took effect in 2023.



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What we love about VISIATIV is that our consultant compiles all technical documentation on our behalf - many other companies, such as financial organisations and accountants, rely on us to prepare the technical data.

Another positive for us is that VISIATIV manage the entire process, reducing the amount of time that we have to allocate to claiming R&D incentives to an absolute minimum.

| ROB BURNS
| DIRECTOR
| 9XB

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YOUR BEST STRATEGY FOR SUCCESS.

This increased level of complex reporting may challenge businesses and their accountants. You could face difficulties accurately capturing and presenting the required information, potentially leading to incomplete or incorrect submissions.

In the ever-changing landscape of R&D tax relief, staying informed and having an expert by your side can make all the difference, and ensure your claims are compliant, maximised, and risk-free.

At Visiativ, we possess the unique skillset of technical know-how and an in-depth knowledge of HMRC's R&D tax relief legislation. This allows us to conduct a hassle-free and successful claim process by:

- Using our extensive claim experience, accumulated over many years, to maximise claims across various industries.
- Preparing the required technical reports in the format that aligns with HMRC's interpretations of the guidelines.
- Defending your claim should HMRC have any questions.

If you have any questions relating to R&D tax relief or wish to discuss the implications of recent changes to the R&D tax relief scheme on your own claims, please get in touch with VISIATIV, and a representative will get back to you to discuss your unique needs and explain how we can assist.

- **Call:** 0330 660 0620
- **Email:** consulting@visiativ.co.uk
- **Or visit:** www.visiativ.co.uk

About VISIATIV

Visiativ is a professional services and consulting business, dedicated to helping UK companies accelerate and fund their innovation and digital adoption strategies. We enable innovation for our clients through a combination of funding, technology and digital adoption products and services, empowering employees and transforming businesses.