



R&D Tax Relief Automotive Industry

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The R&D efforts of the Automotive industry are primarily focused on technologies that will make the vehicle as environmentally compatible, economical and safe as possible - goals which are the focus of both the vehicle manufacturers and suppliers to the industry. In fact, many innovations introduced in the Automotive industry have originated from supplier companies.

Typical Qualifying Claims

There are strict rules covering R&D tax relief claims. Nunn Hayward 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 Automotive Industry claims are not even attempted, because many companies are rightly reluctant to spend significant amounts of time and money with no guarantee of success.

Nunn Hayward LLP 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.

Examples

Let us help you decide whether you may qualify by giving some examples of typical Automotive R&D claims.

- Development of a lightweight car engine that is significantly more powerful without compromising safety, reliability and performance. Improving the power-weight ratio and the body and design of the car in order to support the increase in pressure, thus making an appreciable improvement to an existing product through scientific or technological changes.
- Development of a race car using CFD techniques which involved modelling and analysis of the existing car, changes through previous baseline analysis, subsequent iterative improvements via analysis and the production of patterns, moulds and components in order to complete testing and validation of the developments. This company made an appreciable technological improvement and the length of the project, coupled with the difficulties encountered, offer evidence that this was not a readily deducible undertaking.
- Research and development into a 100% electric vehicle addressing key issues such as power, delivery, weight, aerodynamics, electronics, battery and cooling.
- Development of complex components for electric cars which involves integrating all the functionality of a high voltage PDU into one unit. The technological uncertainties are still ongoing.
- Development of a new battery interface module system for an electric car overcoming safety issues. The technological uncertainties are still ongoing although the work done so far is still classed as R&D.
- 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 Next Step

Call us or fill out our on-line form to receive a **FREE HEALTH CHECK** and one of our experienced R&D Advisers will be in contact to ascertain that 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.