



Research & Development Credit in Ireland

Research & Development Credit

Could your company be eligible for the Research & Development Credit?

The R&D credit was first introduced in 2004 and has been enhanced in several subsequent Finance Acts. The Act provides for a tax credit pertaining to certain expenditure on research and development activities. Qualifying activities are not restricted to laboratory research. Other activities which may qualify include design and development of new processes or process improvements, the key is that the R&D work undertaken seeks to achieve an advancement in science or technology. It should also be noted that the research does not need to prove successful in order to qualify.

How much is the Credit?

The credit is worth up to 25% of qualifying expenditure, this can reduce Corporation tax in the current year. Any unused credit can be carried back to reduce (or eliminate) the prior year CT liability. Unused R&D credits can be carried forward or the company can elect to take a cash refund of the unused credit from Revenue.

The Basics to Qualify:

1. Must be a company
2. Must be chargeable to Irish tax
3. The qualifying R&D activities must take place within the EEA or UK
4. In the case of an Irish company the expenditure must not qualify for a tax deduction in another country.

Qualifying Activities must satisfy all the following:

They must:

1. Be systematic, investigative or experimental activities
2. Be in a field of science or technology
3. Involve one or more of the following categories of R&D
 - a. Basic research
 - b. Applied research
 - c. Experimental development *In addition they must:*
4. Seek to achieve scientific or technological advancement
5. Involve the resolution of technological or scientific uncertainty.

There is no requirement for the R&D work to be successful!

What we will do for you:

We will assist you in maximizing your R&D credit, ensuring that eligible activities have not been overlooked.

We will advise you on the necessary supporting documentation


We will ensure that your claim is prepared in line with legislation and assist you should Revenue investigate your claim.


We will help with reviewing activities to ensure the activities remain consistent with the Revenue interpretation.

Contact us today for a consultation with our experienced tax department.

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