



Capital Allowances

Research & Development Allowances

R&D Allowances (RDAs)

RDAs are relieved against qualifying Capital expenditure.

Not to be confused with R&D Tax Relief, but it has the same qualifying criteria:

- Seeking an advance in the Science or Technology
- Not readily deductible by a competent professional

Quantification requires the ability to fully “cost” a building (a specialist area within a specialist area).

RDAs give a 100% deduction in the form of capital allowances for qualifying expenditure

- Capital items of plant and machinery used in a qualifying activity
- Qualifying buildings
 - Apportioned by area
 - Specifically excluding the cost of land
- However, if the area used in the qualifying activity is >75% of the entire building, HMRC allow the claim for RDAs to be 100% of the cost of the entire building

Quantifying RDAs, specifically the buildings in which the R&D activity takes place requires a specialist skillset to quantify, different to those skills required to quantify the “Revenue” expenditure R&D tax relief claim.

At Elect we have that skillset in house and are regulated by the RICS as Director, Iain Stamp MRICS, is a Chartered Quantity Surveyor.

To find out more information visit **elect.tax** or **click here** to book a free, no obligation consultation.

