Finance Act 2002 (c. 23)
SCHEDULE 12 – Tax relief for expenditure on research and development
Document Generated: 2024-07-16

1
Status: *Point in time view as at 31/12/2004. This version of this provision has been superseded.*
Changes to legislation: *There are currently no known outstanding effects*
for the Finance Act 2002, Paragraph 11. (See end of Document for details)

S C H E D U L E S

SCHEDULE 12 U.K.

TAX RELIEF FOR EXPENDITURE ON RESEARCH AND DEVELOPMENT

PART 3 U.K.

THE RELIEF

Deduction in computing profits of trade

11   (1) This paragraph applies where a company is entitled to relief under **[F1**Part 1, 2 or 2A]** of this Schedule for an accounting period.

(2) In so far as the company's qualifying expenditure for that period is deductible in computing for tax purposes the profits for that period of a trade carried on by the company, it is entitled (on making a claim) to an additional deduction in computing the profits of the trade for that period of an amount equal to 25% of the qualifying expenditure.

(3) In sub-paragraph (2) "qualifying expenditure" means—

(a)   in the case of relief under Part 1, qualifying R&D expenditure (see paragraph 3), **F2**...

(b)   in the case of the relief under Part 2, qualifying sub-contracted R&D expenditure (see paragraph 8) **[F3**and

(c)   in the case of relief under Part 2A, qualifying additional SME expenditure (see paragraph 10B).**]**

Textual Amendments

F1   Words in Sch. 12 para. 11(1) substituted (with effect in accordance with s. 168(3)(b) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 31 para. 17(2)**

F2   Word in Sch. 12 para. 11(3) repealed (with effect in accordance with s. 168(3)(b) of the amending Act) by Finance Act 2003 (c. 14), Sch. 31 para. 17(3), **Sch. 43 Pt. 3(10)**

F3   Sch. 12 para. 11(3)(c) and preceding word inserted (with effect in accordance with s. 168(3)(b) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 31 para. 17(3)**

Status:
Point in time view as at 31/12/2004. This version of this provision has been superseded.

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 2002, Paragraph 11.