

## SCHEDULES

### SCHEDULE 21

#### R&D TAX CREDITS: CONSEQUENTIAL AMENDMENTS

##### *Interest*

- 1 (1) Section 826 of the Taxes Act 1988 (interest on tax overpaid) is amended as follows.
- (2) In subsection (1) (payments which carry interest) after paragraph (c) insert “; or  
(d) a payment of R&D tax credit falls to be made to a company under Schedule 20 to the Finance Act 2000 in respect of an accounting period.”.
- (3) After subsection (3) (material date for repayments of income tax etc.) insert—  
“(3A) In relation to a payment of R&D tax credit falling within subsection (1)(d) above the material date is whichever is the later of—  
(a) the filing date for the company’s company tax return for the accounting period for which the R&D tax credit is claimed, and  
(b) the date on which the company tax return or amended company tax return containing the claim for payment of the R&D tax credit is delivered to the Inland Revenue.  
For this purpose “the filing date”, in relation to a company tax return, has the same meaning as in Schedule 18 to the Finance Act 1998.”.
- (4) In subsection (8A) (recovery of overpaid interest)—  
(a) in paragraph (a), after “subsection (1)(a)” insert “or (d)”,  
(b) for paragraph (b) substitute—  
“(b) there is—  
(i) a change in the company’s assessed liability to corporation tax, or  
(ii) a change in the amount of the R&D tax credit payable to the company (which does not result in a change falling within sub-paragraph (i)),  
other than a change which in whole or in part corrects an error made by the Board or an officer of the Board, and”.
- (5) After subsection (8B) insert—  
“(8BA) For the purposes of subsection (8A)(b) above, the cases where there is a change in the amount of the R&D tax credit payable to the company are those cases where an assessment, or an amendment to an assessment, is made to recover an amount of R&D tax credit paid to the company for the accounting period in question.”.