

## SCHEDULES

### SCHEDULE 12

#### TAX RELIEF FOR EXPENDITURE ON RESEARCH AND DEVELOPMENT

##### **PART 1**

##### ENTITLEMENT TO RELIEF FOR R&D EXPENDITURE: LARGE COMPANIES

##### *Qualifying R&D expenditure*

- 3 For the purposes of this Schedule the company's "qualifying R&D expenditure" is—
- (a) its qualifying expenditure on direct research and development (see paragraph 4),
  - (b) its qualifying expenditure on sub-contracted research and development (see paragraph 5), and
  - (c) its qualifying expenditure on contributions to independent research and development (see paragraph 6).