
Status: Point in time view as at 22/07/2004. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Paragraph 3. (See end of Document for details)

SCHEDULES

SCHEDULE 13

TAX RELIEF FOR EXPENDITURE ON VACCINE RESEARCH ETC

PART 1

ENTITLEMENT TO RELIEF

Qualifying expenditure on direct research and development

- 3 (1) Qualifying expenditure of a company on direct research and development is expenditure incurred by the company that satisfies the following conditions.
- (2) The first condition is that the expenditure is on qualifying R&D activity (see paragraph 4) directly undertaken by the company.
- (3) The second condition is that the qualifying R&D activity on which the expenditure is incurred is relevant research and development in relation to the company.
- (4) The third condition is that the expenditure is not of a capital nature.
- [^{F1}(5) The fourth condition is that the expenditure—
- (a) is incurred on staffing costs,
 - (b) is incurred on [^{F2}software or consumable items] , or
 - (c) is qualifying expenditure on externally provided workers.]
- (6) The fifth condition is that the expenditure is not incurred by the company in carrying on activities the carrying on of which is contracted out to the company by any person.
- (7) The sixth condition is that the expenditure is not subsidised.

Textual Amendments

- F1** Sch. 13 para. 3(5) substituted (with effect in accordance with s. 168(3)(a) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 31 para. 22](#)
- F2** Words in Sch. 13 substituted (with effect in accordance with s. 141(3)-(7)) by [Finance Act 2004 \(c. 12\)](#), [s. 141\(2\)\(c\)](#); S.I. 2005/123, [art. 2](#)

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