

## SCHEDULES

### SCHEDULE 13

#### TAX RELIEF FOR EXPENDITURE ON VACCINE RESEARCH ETC

##### PART 1

##### ENTITLEMENT TO RELIEF

*Conditions that must be satisfied by qualifying expenditure on sub-contracted research and development*

- 7 (1) Expenditure of a company on sub-contracted research and development is not qualifying expenditure unless it satisfies the following conditions.
- (2) The first condition is that the expenditure is on research and development directly undertaken on behalf of the company by the sub-contractor.
- (3) The second condition is that the expenditure is on qualifying R&D activity (see paragraph 4).
- (4) The third condition is that the R&D activity in respect of which the expenditure is incurred is relevant research and development in relation to the company.
- (5) The fourth condition is that the expenditure is not of a capital nature.
- (6) The fifth condition is that the expenditure is not subsidised.