



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 13

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

### CHAPTER 5

#### RELIEF FOR LARGE COMPANIES

#### *Threshold*

#### **1075 R&D threshold**

- (1) For the purposes of this Chapter a company meets the R&D threshold in an accounting period if its qualifying Chapter 5 expenditure for the period is at least—
- (a) £10,000, if the accounting period is a period of 12 months, or
  - (b) the amount given by subsection (2), if the accounting period is a period of less than 12 months.

- (2) The amount referred to in subsection (1)(b) is—

$$\frac{X}{365} \times \text{£}10,000$$

where X is the number of days in the accounting period.

- (3) A company's qualifying Chapter 5 expenditure is "for" the accounting period if it is allowable as a deduction in calculating for corporation tax purposes the profits for the period of a trade carried on by the company.
- (4) Expenditure allowable as a deduction for the purposes of subsection (3) includes expenditure so allowable because of section 61 (pre-trading expenses).
- (5) For the meaning of "qualifying Chapter 5 expenditure" see section 1076.