

R&D Tax Relief in Waste Management and Recycling

We've learnt a thing or ten while successfully completing over 2,000 R&D tax credit claims, which we're happy to share with you here.

In this booklet you'll find some information on:

- R&D in Waste Management and Recycling.
- Potential areas of eligibility for R&D tax credits.
- The everyday challenges that might make you eligible.
- Eligibility questionnaire.
- Why Jumpstart?



R&D Tax Relief in...

Waste Management and Recycling

Introduced by the UK Government in 2000, the R&D tax relief scheme is designed to encourage innovation and global competitiveness by allowing companies to reclaim some of the money invested in qualifying research and development. R&D tax credits are generally considered to be one of the most attractive tax reliefs available, often resulting in significant cash repayments from HMRC.

Big Numbers

- Since the R&D tax credit schemes were launched in 2000, up until 2013-14, almost 120,000 claims had been made and more than £11.4 billion in tax relief claimed.
- By the end of 2013-14, more than 33,800 different companies had made claims under the SME scheme and over 7,800 under the large company scheme.
- The total amount of R&D support claimed rose to £1.75bn.
- **The average claim (in 2013/14) was £48,500.**

R&D in Waste Management and Recycling

Even in a prolonged recessionary environment, waste management continues to be an area of innovation, particularly in response to EU directives as well as an overall drive towards resource efficiency. Reliance on technology and mechanisation is increasing, e.g. to improve recycling processes or generate energy generation from waste (including thermal recovery processes and anaerobic digestion).

Looking at environmentally friendly technologies, the low carbon agenda is of significant strategic importance to the gas, power, waste management and water industries. Low carbon technologies offer significant growth potential to existing industries, particularly in offshore wind, marine (wave and tidal) and Carbon Capture and Storage (CCS).



Their level of intelligence really encouraged me, demonstrating from the word go their ability to grasp our development projects carried out.

I have learnt huge amounts in reference to the whole R&D scheme and what work I can benefit from moving forward.

Sean McArdle, Managing Director
MT WASTE





We were slightly hesitant to begin with, not knowing whether or not the work involved would deliver a return on investment.

However an introduction from our Business Consultant, made us aware that using experts will enable us to claim substantial relief on the back of the R&D Tax Claim process.

Nigel Moore, Head of Finance
BROCKLESBY LTD



What are the potential areas of eligibility?

A vast range of activity in the area of recycling, which could include:

- Purification of products (i.e. extracting flammable or acidic chemicals before recycling process)
- Developing methodology for the production of biodiesel and other valuable commodities from food waste.
- Separation technology (e.g. continuous solid- liquid extraction, liquid-liquid extraction, Ion-Exchange, magnetic separation)
- Decreasing the grade to which waste gets shredded to hence improve final waste grades for landfill. The finer the grade the more waste can be put into landfill areas.
- Developing an industrial scale process to enable the effective, efficient recovery of pure plastics from Waste Electrical and Electronic Equipment (WEEE)
- Operational Efficiency - improving processing capacity, accuracy, flexibility and safety of a materials recovery facility i.e. through automation processes.

What problems might a company face?

- Much of the utilities infrastructure is very old and inefficient. New technologies must be compliant with the old system or provide sufficient benefit to require replacement.
- Explosion risks are often a concern due to the handling of flammable materials, high electrical currents or high pressures (water).
- Maintaining safety while making changes to technology. Utilities companies are usually strictly regulated to ensure safe standards are maintained throughout the industry.
- Reducing potable water consumption when processing waste streams.
- Removal of fine contaminants, such as aggregates and dust, from the waste streams to achieve the required rate of purification.



Expert Advice

Have a thorough understanding of HMRC guidelines. Never claim for work that is uneligible. Tie the claim back to guideline specifics. Use 'user-friendly' language in application: It is vital that the technical report is clear and intelligible



We were totally stunned at the amount claimed, we really couldn't believe it. The tax benefit has since allowed us to reinvest the money, buy new machinery and hire 2 new people. What a great result!

Rod Wah, Managing Director
BEVERSTON ENGINEERING



Eligibility questionnaire

If you can answer 'Yes' to most of these questions then, based on our experience across thousands of clients, it looks like you could have a successful claim:

- Have you developed new tools, products or services using technology?
- Have you tried to improve your existing products through technical changes?
- Have you had to resolve technical problems with any of your products?
- Have you found more efficient ways to produce your products or services?
- Have you experimented with new equipment or production techniques?
- At the start of a project, did you ever think 'I'm not sure of the best way to do this'?
- Have any of your projects failed for technical reasons?

Why Jumpstart?

There is no substitute for experience and expertise. Experience gained through years of daily involvement in putting together thousands of successful R&D tax claims. Expertise built through a detailed programme of training and study, maintained and regularly enhanced.

We have helped literally thousands of businesses, some of whom had no idea they would qualify, to recover over a WHOPPING £60M in R&D tax relief benefits.

R&D Tax is all that we do. We do it really well, and we believe that our experience and expertise could help your business.

About Jumpstart

Jumpstart are the UK's leading R&D Tax Relief specialist. We employ PHD-qualified scientists and engineers who are also experts in HMRC's guidelines. With thousands of successful claims under our belts, we can help you secure the tax relief you're entitled to. **CONTACT US FOR A FREE R&D TAX CREDIT CONSULTATION AND ANALYSIS OF THE POTENTIAL RETURNS YOU MIGHT EXPECT.**

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