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## HMRC internal manual

# Corporate Intangibles Research and Development Manual

From: [HM Revenue & Customs](#)  
([/government/organisations/hm-revenue-customs](#))

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## CIRD88500 - R&D tax reliefs: large company scheme: claims by an SME

An SME can obtain relief under the large company scheme in certain circumstances:

- If it undertakes certain research and development as a subcontractor [CIRD89500](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird89500) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird89500>).
- For accounting periods beginning on or after 9 April 2003 where expenditure is subsidised

[CIRD89000 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird89000\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird89000). Subsidised expenditure does not qualify under the SME scheme [CIRD81650 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird81650\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird81650).

- If it is an insurance company that carries on life assurance business [CIRD89600 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird89600\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird89600).

The claim is for the qualifying expenditure to be enhanced by 25%. Losses cannot be surrendered for a payable credit.

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