R&D compliance activity and HMRC engagement: CIOT update for members

Large Corporate OMB



17 May 2024

CIOT representatives have met with HMRC and continue to raise our concerns about HMRC's handling of enquiries into R&D tax relief.

CIOT continues to engage with HMRC to address the challenges arising because of the 'volume compliance' approach for enquiries into R&D tax relief claims. Members will be familiar with our letters to HMRC in July (www.tax.org.uk/ref1166) and December (www.tax.org.uk/ref1260) last year, which formally set out our concerns. This year, we have met several times with HMRC to focus on how we can work together to achieve the objectives of reducing non-compliance in the R&D tax relief regime, while minimising the 'collateral damage'.

HMRC have said that they continue to work on improving escalation routes and on the training of caseworkers. We have reiterated our support of HMRC's focus on

tackling error and fraud, recognising that there are some poor quality and abusive claims that neither HMRC nor the CIOT want to see in the system.

We recently published an update that summarises this recent engagement: tinyurl.com/39akym4m.

Members' input continues to be important to help inform and focus this work, and CIOT will continue to share examples and concerns with HMRC. Please get in touch about issues that you are encountering to technical@ciot.org.uk.

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