

R&D Tax Credits

About R&D Tax Credits

R&D tax credits in Ireland offer innovative businesses a 25% credit on all qualifying R&D expenditure.

25%
R&D Credit

Added to the 12.5% CT deduction, for a total benefit of 37.5%.

What Qualifies?

The Revenue supports Irish tax paying companies that have undertaken R&D within the EEA.

To qualify, while creating a new material, product, process, system or service, a business must also:

- + Complete systematic, investigative or experimental activities.
- + Operate in the field of science or technology.
- + Carry out either basic/fundamental research, applied research or experimental development.
- + Seek a scientific or technological advancement, which a competent professional couldn't easily resolve.
- + Tackle outset uncertainty on whether a goal is achievable and what methods to use to meet it.

Qualifying R&D Costs

The following expenditure qualified if it incurred wholly and exclusively in carrying out qualifying R&D activities:



Employee & Staff: Salaries, pension contributions, bonus payments, health insurance etc.



Material: Materials transformed or consumed during the R&D process, including utilities and consumables such as chemicals or electronic components.



Capital Expenditure Costs: Construction or refurbishment of buildings & structures that are 35% used for R&D, or plant & machinery that also qualifies for capital allowances.



Outsourcing: 15% or €100,000, whatever comes first, of 3rd party, institutes of higher education or agency staff costs.