

Tax Dispute Resolution

R&D Enquiry - Success Story

COMPANY BACKGROUND & NEED

A rapidly expanding maritime technology company who undertake innovation through research and development. They received an enquiry from HMRC into their R&D tax credit claim. The enquiry had been ongoing for over a year when they engaged with BDO.



BDO Solution

Increase facetime with HMRC

More personal approach

- ▶ Previously HMRC had insisted on corresponding via letters.
- ▶ As such, the company felt that they did not properly understand their business or their product.
- ▶ On engagement BDO insisted on a more personable approach from each side.
- ▶ This included a site visit, so HMRC could be shown the client product.
- ▶ Video meetings took place and finally, Alternative Dispute Resolution (“ADR”) was undertaken.
- ▶ During ADR an agreement was reached.



The outcome of the ADR was that the company was paid the full SME relief that they originally claimed.

Company Benefits



Full payment of R&D credit originally claimed.

Clarity on the R&D position going forward.

Introduction to other BDO teams (including Transfer Pricing team).

Avoided protracted HMRC correspondence and no need to go to Tribunal.

Helped with cash flow, which was key for a fast-growing business.



Client Feedback

“The knowledge and experience BDO brought to the table, not only from a technical R&D engineering standpoint but also dispute resolution perspective, was invaluable in unlocking and resolving our long-running HMRC enquiry with no concessions. This was a great result for us which we wouldn’t have achieved without working with BDO’s Tax Dispute Resolutions team and R&D tax services experts.”