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CRANLEYS' CLEVER CHECKLISTS · No. 13 · BUSINESS TAX

R&D Tax Relief Checklist 2026/27

Tick it, print it, pin it up. Every box you cannot tick is a conversation worth having.



By Colin Davison FCA, Managing Partner, Cranleys Chartered Accountants. In practice since 1998. Reviewed 15 November 2026 against the 2026/27 rules.

THE QUICK ANSWER

R&D relief rewards projects that seek an advance in science or technology by resolving genuine uncertainty. Most companies claim under the merged scheme with a 20% above-the-line credit. Loss-making R&D-intensive SMEs can use ERIS. An Additional Information Form must be filed before the claim is made.

THE KEY FIGURES

2026/27 figure	Amount
Merged scheme credit	20% above the line
ERIS (R&D intensive SMEs)	extra 86% deduction, 14.5% credit on losses
ERIS test	R&D spend at least 30% of total spend
Additional Information Form	before the return is filed

The checklist, box by box

	The check	What to do	Keep as evidence
☐	**Does the project seek an advance in science or technology?**	The test is about overcoming uncertainty that a competent professional could not resolve. Routine work and cosmetic changes do not count.	Project outline, uncertainty log
☐	**Merged scheme or ERIS?**	The merged scheme suits most. ERIS can suit a loss-making SME with R&D at least 30% of total spend.	Spend analysis
☐	**Is the Additional Information Form filed first?**	Without it the claim is invalid. Do it before filing the company tax return.	Form receipt
☐	**Are subcontractors and overseas costs checked?**	Rules restrict some subcontracted and overseas spend.	Contracts, location records
☐	**Is staff time properly supported?**	Use timesheets, project notes and a clear method. Guesswork is the most common reason claims fail.	Timesheets, payroll records
☐	**Do you keep a live evidence file?**	Technical notes, test results and dated records help in an HMRC compliance check.	Evidence file

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MY PRO TIP

write the uncertainty down while the project is live.

A worked example

A company spends £100,000 on qualifying R&D. Under the merged scheme the credit is £20,000, which is taxable, so the net benefit after 25% corporation tax is £15,000. Under ERIS the deduction is £186,000. If a £186,000 loss is surrendered at 14.5%, the credit is £26,970. The right route depends on profits, losses and the 30% test.

The trap to avoid

Claiming R&D for routine software. HMRC compliance checks target these claims, reject them and may add penalties.

Test your accountant

One question that tells you if you have the right adviser:

Which R&D scheme did you pick for me, and where is the evidence for each project?

What has changed recently

- The merged scheme and ERIS replaced the older SME and RDEC schemes from April 2024.
- The Additional Information Form is mandatory for every claim.
- Check how the credit interacts with company tax. See the corporation tax checklist.

Questions I get asked

What is the R&D tax relief rate for 2026/27?

The merged scheme gives a 20% above-the-line credit on qualifying spend. ERIS gives loss-making R&D-intensive SMEs an extra 86% deduction and a 14.5% credit.

Does my project qualify for R&D?

It qualifies if it seeks an advance in science or technology by resolving genuine uncertainty. Routine updates and cosmetic changes do not.

What is the Additional Information Form?

A form giving HMRC details of your R&D projects. It must be submitted before the claim is made.

What evidence do I need?

Project descriptions, dated technical records, timesheets and payroll data. Keep it as you go.

The 9 CAD Keys link: Development

Development is building something new on purpose. R&D relief rewards the businesses that can show how they learned, not just what they made.

Colin's 9 CAD Keys. CORE: Clarity, Capability, Consistency. ADVANCED: Analysis & Positioning, Alignment, Acceleration. DYNAMIC: Differentiation, Dexterity, Development. Score each key 1 to 5 in the free Business Value Assessment Scorecard, total out of 45. *Freedom is built. One CAD Key at a time.*

Tick these next

Tax checklist 12
Corporation Tax and Close Companies Checklist 2026/27

Tax checklist 14
Capital Allowances Checklist 2026/27

Tax checklist 24
IR35 and Off-Payroll Working Checklist 2026/27

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Go deeper: my books

For this topic, start with **Business Tax Secrets**, part of The Cranleys Business and Tax Secrets Series: Property Tax Secrets, Inheritance Tax Secrets, Business Tax Secrets, Starting Up Secrets, Business Growth Secrets and Business Exit Secrets. The books are launching soon. Join the launch list at cranleys.online/books and I will tell you the moment each one is released.

YOUR NEXT STEP

Ring me. Free draft plan, no hard sell.

I will build you a free draft tax plan or business plan on my 9 CAD Keys: a scorecard, a 12-month cashflow forecast, a 90-day action plan and a review with me. **1** Get in touch. **2** Short intro call. **3** Your free draft plan in plain English. You decide what happens next.

Evidence first, credits second.

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Scan to read online, tick it on screen and take the Scorecard



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