

Expert Accounting and Finance

HMRC reveals details of R&D credits anti-fraud campaign

HMRC announced that they will stop paying out new claims on R&D tax credits, but have now announced a new campaign to battle fraud.

Corporation tax incentives used in R&D can be broken into two categories: enhanced deductions, and the 14.5% tax credit associated with a loss making company. The generous nature of this credit has become the target of fraudsters who offer 'advice' to claimants on how to make a false return.

Fraudsters reap the rewards, often demanding money upfront before asking for repayment. To avoid fraud, it is advised that if you receive an email about R&D credits, you report it to HMRC by forwarding the email to phishing@hmrc.gsi.gov.uk.

When someone approaches you with a deal that sounds too good to be true, be cautious. It is possible that these agencies are involved with R&D financial investments, but it is hard for employees to tell if the company is even aware of them. HMRC is currently looking into cases that seem illegitimate and inviting input from companies.

