

Information

Scientific research association name

Tax reference

Period covered by this claim

From *(dd/mm/yyyy)* To

Important points

- **This certificate** will form the Scientific Research Association's claim to exemption from tax on the basis that it is an association which has as its object the undertaking of research and development which may lead to or facilitate an extension of any class or classes of trade.
- **Where the company has been given notice** (under paragraph 3 Sch 18 FA 1998) to make a company tax return for the accounting period to which the claim relates, the company must make the claim by including it in the return or by amending the return if it can.
- **If the company has not been given notice** to make a return, or at the time it makes the claim it has already made the return and can no longer amend it, the claim should be sent separately to the address shown.
- **The certificate** and company's return, when completed, should be sent to:

Local Compliance Eastern England

Leicester R & D Unit

Saxon House

1 Causeway Lane

Leicester

LE1 1FZ

Claim to exemption

This section should be completed in all cases

During the accounting period covered by this claim

- The company was a Scientific Research Association and ‘the income spending condition’ was met (see note 1)
- The conditions relating to the dissemination of the results of R & D and to intellectual property requirements were met (see notes 2 and 3)

The association has not, directly or indirectly, distributed and does not intend to distribute any of its profits of that accounting period to any of its members, subscribers, or shareholders.

The particulars given in this form are correctly stated to the best of the information and belief of the person making the claim.

[Enter company name] hereby claim exemption from tax

Signature

Name (*in capital letters*)

Date

Status

Notes

The “income spending condition”

1. In an accounting period the Association must apply, or intend to apply, at least 75% of its ‘relevant income’ in the period to activities ‘that are treated as research and development which may lead to or facilitate an extension of any class or classes of trade.’

Where the Association intends to apply an amount of 'relevant income' in a later accounting period, there must be a plan or programme of activities in place before the end of this initial accounting period. The amount must be applied to these planned or programmed activities before the fifth anniversary of the end of the accounting period in which the income arose.

'Relevant income' for this purpose has a wide definition and is broadly equivalent to the gross amount of income for the accounting period

Arrangements for disseminating results

2. To be eligible for exemption from tax, the Association must make arrangements for dissemination of any results before the end of the accounting period, and must ensure that these results are made available:-
 - a. Upon request and without charge (subject to recovering the reasonable costs of publishing and distribution)
 - b. To all members, shareholders and subscribers, or to all those members, shareholders or subscribers who undertake the relevant class of trade, or generally to the public
 - c. Not later than one year after completion of the research and development.

Intellectual property requirements

3. The intellectual property requirements are that intellectual property from any research and development undertaken in an accounting period:-
 - a. Must be solely and beneficially owned by the association for at least a year from the end of the accounting period.
 - b. If the intellectual property is sold or otherwise made available to any person in that accounting period or within a year of its end, the intellectual property must also be made available to members, shareholders and subscribers.

- c. If the Association cannot secure sole beneficial ownership on account of shared funding, the association must secure in the accounting period a right to use or exploit the intellectual property for at least a year from the end of the accounting period.
- d. If the Association cannot secure sole beneficial ownership because it has contracted research to a university, the Association must secure sufficient rights to ensure that at least the dissemination requirements are fully met. The position is equivalent to that of shared ownership on account of shared funding, with the one exception that in these cases the Association fully funds the project.