

Research & Development (“R&D”) Tax Credit Statistics

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Information on the R&D credit is available on the Revenue website

<https://www.revenue.ie/en/companies-and-charities/reliefs-and-exemptions/research-and-development-rd-tax-credit/index.aspx>

For queries of a statistical nature in relation to the credit, please contact

statistics@revenue.ie



Research & Development ("R&D") Tax Credit Statistics

Sections 766 and 766A of the Taxes Consolidation Act 1997 provide for a tax credit in respect of qualifying expenditure on Research & Development ("R&D"). This credit was introduced in 2004.

Year	Total Exchequer Cost €m	Number of Companies
2005	65	135
2006	75	141
2007	166	479
2008	146	582
2009	216	900
2010	224	1,172
2011	261	1,409
2012	282	1,543
2013	421	1,576
2014	553	1,570
2015	708	1,535
2016	670	1,506
2017	448	1,505

The R&D tax credit must be used initially to reduce the Corporation Tax liability of the company for the accounting period in which the relevant expenditure is incurred. Any unused amount may be carried forward and used to reduce the Corporation Tax of following accounting periods. Where an excess remains, instead of carrying forward that excess, a company may claim to use it to reduce the Corporation Tax of the preceding accounting period. If any excess still remains it may still be carried forward and used to reduce the Corporation Tax of succeeding accounting periods. In the event that there is no Corporation Tax liability in the current year, the company may claim to have the amount of that excess paid to them by Revenue in 3 instalments over a period of 33 months from the end of the accounting period in which the expenditure was incurred.

The tables on the following pages provide breakdowns of the Exchequer cost of the R&D credit by the accounting period and payable credit components, by the size of claims and by the characteristics of the claimant companies. Where small number of cases are involved, Revenue must restrict the information provided to protect confidentiality of taxpayer information in line with Statistical Disclosure Controls (<https://www.revenue.ie/en/corporate/information-about-revenue/statistics/about/statistical-disclosure-control.aspx>).

Breakdown of the cost of the R&D credit by amount offset and payable

Description	2012		2013		2014		2015		2016		2017	
	€m	%	€m	€m	%	€m	€m	%	€m	%	€m	%
Used in the current accounting period	142	50%	182	43%	227	41%	349	49%	434	64%	297	66%
Carried back to previous accounting period	4	1%	4	1%	1	0%	<1	0%	<1	0%	<1	0%
Converted into 1st payable credit	54	19%	133	32%	146	26%	86	12%	52	8%	55	12%
Converted into 2nd payable credit	50	18%	56	13%	131	24%	145	21%	85	13%	50	11%
Converted into 3rd payable credit	33	12%	46	11%	49	9%	128	18%	99	15%	47	10%
Total	282	100%	421	100%	553	100%	708	100%	670	100%	448	100%

Breakdown of the R&D credit by value of credit used and Corporation Tax ("CT") liability of the claimant

Value of Credit Used	2012		2013		2014		2015		2016		2017	
	Claimants	CT Liability €m	Claimants	CT Liability €m	Claimants	CT Liability €m	Claimants	CT Liability €m	Claimants	CT Liability €m	Claimants	CT Liability €m
€1 to €10,000	347	6	312	7	315	4	300	9	284	47	273	7
€10,001 to €100,000	805	71	838	74	829	94	796	69	786	64	779	103
€100,001 to €200,000	163	42	186	48	195	152	196	58	207	146	198	97
€200,001 to €300,000	67	104	68	50	68	54	69	141	71	113	62	75
€300,001 to €400,000	38	53	38	52	40	34	30	9	24	34	42	72
€400,001 to €500,000	25	35	28	84	25	14	29	49	24	36	25	75
€500,001 to €1,000,000	52	131	43	89	41	276	57	507	49	259	57	260
€1,000,000+	46	1,347	63	1,035	57	1,053	58	1,507	61	1,754	69	2,310
Total	1,543	1,789	1,576	1,439	1,570	1,680	1,535	2,349	1,506	2,453	1,505	2,999

Research & Development ("R&D") Tax Credit Statistics

Breakdown of the R&D credit by the business sector (based on NACE code) of the claimant

Sector	2012		2013		2014		2015		2016		2017	
	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m
Manufacturing	492	137	506	241	491	379	487	526	475	480	464	227
Information & Communication	462	55	472	64	152	59	156	69	143	65	518	71
Wholesale & Retail Trade	149	46	161	57	504	55	504	59	503	64	137	78
Professional, Scientific & Technical Activities	220	25	225	33	222	33	216	35	223	43	237	50
Financial & Insurance	51	7	49	11	47	10	38	5	32	5	24	7
Administrative & Support Services	30	2	31	5	31	7	25	5	29	5	36	8
All Other Sectors	139	10	132	10	123	10	109	10	101	8	89	6
Total	1,543	282	1,576	421	1,570	553	1,535	708	1,506	670	1,505	448

Breakdown of the R&D credit by size (based on employee numbers) of the claimant

Number of Employees	2012		2013		2014		2015		2016		2017	
	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m
Less than 10	549	38	549	46	528	44	502	39	470	38	475	38
11 to 49	554	46	584	153	563	45	560	47	550	48	549	51
50 to 249	313	57	326	68	341	60	330	62	334	61	331	69
250+	127	141	117	154	138	404	143	560	152	523	150	290
Total	1,543	282	1,576	421	1,570	553	1,535	708	1,506	670	1,505	448

Breakdown of the R&D credit by size (based on whether in Revenue's Large Corporates Division*) of the claimant

LCD or Non-LCD	2012		2013		2014		2015		2016		2017	
	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m	Claimants	Cost of R&D Credit €m
Non-LCD	1,382	130	1,406	138	1,400	126	1,362	127	1,339	127	1,325	136
LCD	161	152	170	283	170	427	173	581	167	543	180	312
Total	1,543	282	1,576	421	1,570	553	1,535	708	1,506	670	1,505	448

*Revenue's Large Corporates Division ("LCD") has responsibility for managing the tax affairs of the largest taxpayers

Research & Development ("R&D") Tax Credit Statistics

Amount of Allowable Research & Development Expenditure

Year	Total Value of Expenditure €m	Small/Medium Enterprises €m	Large Enterprises €m
2012	1,300	596	704
2013	2,236	667	1,569
2014	2,690	684	2,006
2015	2,394	594	1,800
2016	1,786	611	1,175
2017	1,668	663	1,005

Total Research & Development Claimed

Year	Total Value of Claim €m	Credit Earned in Previous year claimed in current year €m	Credit Earned in current year €m
2012	611.9	250.0	411.9
2013	911.5	324.9	586.6
2014	1,145.2	475.4	669.8
2015	1,193.3	584.8	608.5
2016	984.6	534.5	450.2
2017	729.2	304.1	425.1