

What is Patent Box?

Businesses that invest in developing and exploiting intellectual property should be rewarded and Patent Box is designed to do exactly that.

This scheme is administered by HMRC and is designed to reward innovative UK companies that develop and exploit patented inventions. The tax on profits from the exploitation of patented inventions is reduced to 10%.

Even if the patented element of the product or process is minor, 100% of a company's worldwide profits arising from product income should qualify for the 10% Patent Box corporation tax relief.

Is it relevant to your business?

To benefit you need to be a UK limited company paying UK corporation tax. You need to have developed an innovative product or process, filed a patent application, and generated profits relating to the patented invention.

The innovation does not have to be rocket science to be patentable. Most patented inventions are just small technical improvements on existing products or processes.

Many companies don't think that their intellectual property (IP) is patentable, or they think that the patenting process is too expensive and takes too long to be worthwhile.

The Patent Box has been specifically designed to overcome these misconceptions and the tax relief potentially covers the costs.

What can we do for you?

We support our clients to actively identify, value, manage, and exploit their IP. We can identify opportunities for patent applications and claiming a Patent Box corporation tax saving. Our work is in itself a valuable audit of your intangible IP assets. Whatever your business, your product and process IP could be significant and can be one of the most valuable assets your business owns.

We can manage your Patent Box election and claim from start to finish, which includes dealing with any HMRC queries along the way.

We can also undertake a programme of patent extension work, where we aim to extend the life and size of return from the Patent Box legislation.

Doing more for our clients

Working as your accountants we are in an ideal position to understand your business and offer services that can add significant value.

We team you up with an expert who combines scientific and technical knowledge with tax and accounting and has particular expertise in commercial patent strategy.

We actively monitor the scheme's legal, technical and financial developments so that you will always have advice that is up-to-date and reflects the best of current practice.

Our service is tailored to your needs – from offering the specific piece of advice you need through to handling the whole process from start to finish.

The Patent Box is closely linked with R&D tax relief and a company can often claim tax relief under both schemes.

We can offer you advice to maximise your claims across both schemes and how to use your IP in support of your commercial strategy.

Next steps

Get in touch with us by calling **020 7812 8474**

or email enquiries@wilsonstevens.co.uk

www.wilsonstevens.co.uk

Facts and Figures

Even if the patented element of the product is small, **100% of income from the whole product should qualify.**

The reduction in corporation tax rate **applies to profits generated in the 'patent pending' period.**

The scheme includes IP profits derived from **worldwide sales and patent licence revenues.**