

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

July 2024

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](mailto:statistics@revenue.ie)



The R&D credit was introduced in 2004 with sections 766 and 766A of the Taxes Consolidation Act 1997 (TCA 1997) providing for a tax credit in respect of qualifying expenditure on Research & Development ("R&D").

The R&D tax credit is 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. However, in cases 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 remains it may be carried forward and used to reduce the Corporation Tax of succeeding accounting periods. In cases where 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.

Finance Act 2022 introduced sections 766C and 766D TCA 1997 providing for changes in the way in which a claim for the R&D tax credit is made and how the benefit of the credit is received by a company<sup>1</sup>. Where an R&D corporation tax credit claim is made under section 766C or section 766D, the R&D corporation tax credit is not used to reduce the liability to CT for that accounting period, rather the company may claim an amount equal to 25% of qualifying expenditure attributable to the company, which is available in three annual instalments. The company must specify, for each instalment whether all of the R&D corporation tax credit or a portion of it should be treated as an overpayment of tax (and offset against tax liabilities of the company) or paid to the company by Revenue. In general, the changes apply in respect of accounting periods ending 31 December 2022 or later.

For a transitional period, and subject to meeting certain conditions, a company could elect to make a claim for either the R&D tax credit under section 766 and/or section 766A or the R&D corporation tax credit under section 766C and/or section 766D, which in general applies in respect of accounting periods ending between 31 December 2022 and 30 December 2023. In addition, a company could make a claim to accelerate the payment of a second and final instalment due in respect of an accounting period that commenced before 1 January 2022. A claim to accelerate the payments was made in a return for an accounting period commencing on or after 1 January 2022 under section 766(4D) and/or section 766A(4C) TCA 1997.

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<sup>1</sup> Please refer to the Tax and Duty Manual on the Revenue website for further detail: <http://tdmshare/alfresco/wcservice/api/node/content/workspace/SpacesStore/a5ffdc96-1a73-47bd-9cb1-2a35a780c94a/Part%2029-02-03.pdf>

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The tables below (Tables 1-8) show the amount of allowable R&D expenditure, the amount of the R&D credit *claimed* by companies and the cost of the R&D credit to the Exchequer each year. In addition, claims in respect of section 766B are included.

The report also provides further breakdowns of the Exchequer cost of the R&D credit by the accounting period and payable credit components, in addition to the size of claims and the characteristics of the claimant companies.

The statistics for 2022 were prepared on July 1, 2024.

Where a small number of taxpayers are involved, Revenue must restrict the information provided to protect confidentiality of taxpayer information in line with its Statistical Disclosure Control Protocol.<sup>2</sup>

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<sup>2</sup> The Statistical Disclosure Control Protocol is available on the Revenue website at: <https://www.revenue.ie/en/corporate/information-about-revenue/statistics/about/statistical-disclosure-control.aspx>

Table 1 shows the amount of allowable R&D Expenditure, which refers to the amount of expenditure incurred on R&D under section 766, section 766A, section 766C and section 766D<sup>3</sup>.

**Table 1: Amount of Allowable R&D Expenditure**

Year	Total Value of Expenditure		Of which:	
	€m	Small/Medium Enterprises		Large Enterprises
		€m	€m	€m
2012	1,384	643	741	
2013	2,340	663	1,677	
2014	2,757	690	2,067	
2015	2,430	607	1,823	
2016	1,798	614	1,184	
2017	1,696	689	1,006	
2018	1,171	522	649	
2019	2,602	801	1,801	
2020	3,105	786	2,319	
2021	3,471	798	2,673	
2022	4,688	888	3,800	

<sup>3</sup> Section 766C and section 766D in respect of accounting periods the specified return date (within the meaning of Part 41A) of which is on or after 23 September 2023.

Table 2 gives an overview of the total R&D credit claimed in the accounting period, broken down by current and previous year claims<sup>4</sup>.

**Table 2: Total R&D Credit Claimed**

Year	Total Value of Claim		Of which:	
	€m	Earned in Previous Year		Earned in Current Year
		€m	€m	€m
2012	611.9	284.1	327.8	
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	
2018	474.8	175.0	299.8	
2019	976.4	325.9	650.5	
2020	1,131.7	354.6	777.1	
2021	1,290.3	421.7	868.6	
2022	1,457.3	283.8	1,173.5	

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<sup>4</sup> Information in respect of R&D tax credits available to claim in later years after application of Section 766B, amounting to €191.5m, is also included in the tax returns in 2022.

## Exchequer Cost

Tables 3 and 4 show the exchequer cost of the R&D Credit and the associated number of companies claiming each year.

**Table 3: Overall Cost of the R&D Credit**

Year	Total Exchequer Cost	Number of Companies
	€m	
2004	70	73
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
2018	355	1,303
2019	626	1,601
2020	658	1,616
2021	753	1,629
2022	1,158	1,631

**Table 4: Breakdown of the cost of the R&D credit by amount offset and payable**

Description	2012		2013		2014		2015		2016		2017		2018	
	€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%	246	69%
Carried back to previous accounting period	4	1%	4	1%	1	0%	<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%	43	12%
Converted into 2nd payable credit	50	18%	56	13%	131	24%	145	21%	85	13%	50	11%	37	10%
Converted into 3rd payable credit	33	12%	46	11%	49	9%	128	18%	99	15%	47	10%	28	8%
<b>Total</b>	<b>282</b>	<b>100%</b>	<b>421</b>	<b>100%</b>	<b>553</b>	<b>100%</b>	<b>708</b>	<b>100%</b>	<b>670</b>	<b>100%</b>	448	100%	<b>355</b>	<b>100%</b>

Description	2019		2020		2021		2022	
	€m	%	€m	%	€m	%	€m	%
Used in the current accounting period	429	68%	402	61%	422	55%	425	37%
Carried back to previous accounting period	<1	0%	0.3	0%	2.0	0%	1.2	0%
Converted into 1st payable credit	80	13%	116	18%	155	20%	397	34%
Converted into 2nd payable credit	69	11%	77	12%	114	15%	142	12%
Converted into 3rd payable credit	51	8%	63	10%	70	9%	192	17%
<b>Total</b>	<b>629</b>	<b>100%</b>	<b>658</b>	<b>100%</b>	<b>761</b>	<b>100%</b>	<b>1,158</b>	<b>100%</b>

\*There is a clawback of €3m for 2019, €0.2m 2020, €8m 2021 and €0.2m for 2022 not included in the total Amount

## R&D Breakdowns

Table 5 shows the breakdown of the R&D credit by value of the credit used and the associated Corporation Tax paid by the claimants.

**Table 5: 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		2018	
	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m
€1 to €10,000	347	6	312	7	315	4	300	9	284	47	273	7	235	5
€10,001 to €100,000	805	71	838	74	829	94	796	69	786	64	779	103	688	114
€100,001 to €200,000	163	42	186	48	195	152	196	58	207	146	198	97	151	64
€200,001 to €300,000	67	104	68	50	68	54	69	141	71	113	62	75	64	108
€300,001 to €400,000	38	53	38	52	40	34	30	9	24	34	42	72	33	51
€400,001 to €500,000	25	35	28	84	25	14	29	49	24	36	25	75	19	14
€500,001 to €1,000,000	52	131	43	89	41	276	57	507	49	259	57	260	43	85
€1,000,000+	46	1,347	63	1,035	57	1,053	58	1,507	61	1,754	69	2,310	70	3,859
<b>Total</b>	<b>1,543</b>	<b>1,789</b>	<b>1,576</b>	<b>1,439</b>	<b>1,570</b>	<b>1,680</b>	<b>1,535</b>	<b>2,349</b>	<b>1,506</b>	<b>2,453</b>	<b>1,505</b>	<b>2,999</b>	<b>1,303</b>	<b>4,300</b>



**Table 5 continued: Breakdown of the R&D credit by value of credit used and Corporation Tax (“CT”) liability of the claimant**

Value of Credit Used	2019		2020		2021		2022	
	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m	Number of Claimants	CT Liability €m
€1 to €10,000	245	8	227	11	198	8	192	10
€10,001 to €100,000	835	98	850	83	854	155	797	91
€100,001 to €200,000	190	45	210	140	222	154	234	208
€200,001 to €300,000	105	106	91	157	115	257	97	334
€300,001 to €400,000	48	294	42	133	48	150	59	317
€400,001 to €500,000	29	56	37	27	24	112	36	185
€500,001 to €1,000,000	65	197	71	302	77	1,133	90	68
€1,000,000+	84	3,608	88	4,781	91	5,552	126	11,561
<b>Total</b>	<b>1,601</b>	<b>4,412</b>	<b>1,616</b>	<b>5,634</b>	<b>1,629</b>	<b>7,521</b>	<b>1,631</b>	<b>12,773</b>

**Table 6: Breakdown of the R&D credit by the business sector (based on NACE code) of the claimant**

Sector	2012		2013		2014		2015		2016		2017		2018	
	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m
Manufacturing	492	137	506	241	491	379	487	526	475	480	464	227	410	174
Information & Communication	462	55	472	64	152	59	156	69	143	65	518	71	441	68
Wholesale & Retail Trade	149	46	161	57	504	55	504	59	503	64	137	78	125	56
Professional, Scientific & Technical Activities	220	25	225	33	222	33	216	35	223	43	237	50	189	37
Financial & Insurance	51	7	49	11	47	10	38	5	32	5	24	7	22	7
Administrative & Support Services	30	2	31	5	31	7	25	5	29	5	36	8	31	9
All Other Sectors	139	10	132	10	123	10	109	10	101	8	89	6	85	4
<b>Total</b>	<b>1,543</b>	<b>282</b>	<b>1,576</b>	<b>421</b>	<b>1,570</b>	<b>553</b>	<b>1,535</b>	<b>708</b>	<b>1,506</b>	<b>670</b>	<b>1,505</b>	<b>448</b>	<b>1,303</b>	<b>355</b>

**Table 6 continued: Breakdown of the R&D credit by the business sector (based on NACE code) of the claimant**

Sector	2019		2020		2021		2022	
	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m
Manufacturing	466	366	444	381	426	451	431	750
Information & Communication	560	84	567	97	577	118	588	135
Wholesale & Retail Trade	139	77	144	79	141	74	131	103
Professional, Scientific & Technical Activities	260	63	266	68	292	74	296	122
Financial & Insurance	32	11	46	12	36	9	39	10
Administrative & Support Services	38	9	32	8	42	11	33	12
All Other Sectors	106	17	117	12	115	17	113	25
<b>Total</b>	<b>1,601</b>	<b>626</b>	<b>1,616</b>	<b>658</b>	<b>1,629</b>	<b>753</b>	<b>1,631</b>	<b>1,158</b>

**Table 7: Breakdown of the R&D credit by size (based on employee numbers) of the claimant**

Number of Employees	2012		2013		2014		2015		2016		2017		2018	
	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m
Less than 10	549	38	549	46	528	44	502	39	470	38	475	38	409	31
11 to 49	554	46	584	153	563	45	560	47	550	48	549	51	443	39
50 to 249	313	57	326	68	341	60	330	62	334	61	331	69	305	58
250+	127	141	117	154	138	404	143	560	152	523	150	290	146	226
<b>Total</b>	<b>1,543</b>	<b>282</b>	<b>1,576</b>	<b>421</b>	<b>1,570</b>	<b>553</b>	<b>1,535</b>	<b>708</b>	<b>1,506</b>	<b>670</b>	<b>1,505</b>	<b>448</b>	<b>1,303</b>	<b>355</b>

Number of Employees	2019		2020		2021		2022	
	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m
Less than 10	531	33	544	37	512	33	501	29
11 to 49	535	55	534	56	546	57	550	68
50 to 249	354	90	355	99	371	103	378	138
250+	181	449	183	466	200	559	202	923
<b>Total</b>	<b>1,601</b>	<b>626</b>	<b>1,616</b>	<b>658</b>	<b>1,629</b>	<b>753</b>	<b>1,631</b>	<b>1,158</b>

**Table 8: Breakdown of the R&D credit by size (based on Revenue Division) of the claimant**

*LC or Non-LC	2012		2013		2014		2015		2016		2017		2018	
	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m
Non-LC	1,382	130	1,406	138	1,400	126	1,362	127	1,339	127	1,325	136	1,131	112
LC	161	152	170	283	170	427	173	581	167	543	180	312	172	243
<b>Total</b>	<b>1,543</b>	<b>282</b>	<b>1,576</b>	<b>421</b>	<b>1,570</b>	<b>553</b>	<b>1,535</b>	<b>708</b>	<b>1,506</b>	<b>670</b>	<b>1,505</b>	<b>448</b>	<b>1,303</b>	<b>355</b>

*LC or Non-LC	2019		2020		2021		2022	
	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m	Number of Claimants	Cost of R&D Credit €m
Non-LC	1,403	166	1,420	179	1,431	190	1,444	261
LC	198	460	196	478	198	563	187	897
<b>Total</b>	<b>1,601</b>	<b>626</b>	<b>1,616</b>	<b>658</b>	<b>1,629</b>	<b>753</b>	<b>1,631</b>	<b>1,158</b>

\*Specific Revenue Divisions have responsibility for managing the tax affairs of Large Corporates ("LC")