



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Lord Agnew of Oulton
House of Lords
London
SW1A 0PW

9 July 2025

Dear Lord Agnew,

I wanted to update you on newly available information on Research and Development (R&D) tax reliefs.

In May 2025, I responded to parliamentary questions you asked about these tax reliefs. This included a question about the proportion of R&D tax relief claims submitted in each of the past five financial years that involved the use of nominee or third-party bank accounts to receive payment of a tax credit. I responded by confirming that HMRC does not publish the proportion of R&D tax relief claims involving nominee or third-party bank accounts.

HMRC subsequently received a similar request under the Freedom of Information Act 2000. In preparing their response to that request, HMRC has now been able to compile all the relevant information and will be sharing this in response to the FOI request.

Given your earlier interest, I wanted to share the information with you. Please find below information on the number and proportion of R&D claims in each of the past five financial years that included nominee bank account details.

Period (tax year)	R&D tax credit claim with nominee details included	R&D tax credit claims with nominee details as a proportion of overall R&D tax relief claims
1 April 2020 – 31 March 2021	11,042	14%
1 April 2021 – 31 March 2022	11,971	15%
1 April 2022 – 31 March 2023	13,604	16%
1 April 2023 – 31 March 2024	9,178	16%
1 April 2024 – 31 March 2025	1,100	2%

*Percentages have been rounded to the nearest whole number.

Since April 2024, R&D claimants have not been able to nominate a third-party payee. HMRC has discretion to continue to pay to a nominee if an officer is satisfied that

exceptional circumstances make payment to the claimant company impracticable or inconvenient.

I hope this information is helpful to you.

A copy of this letter will be placed in the Library of the House.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Spencer Livermore', followed by a period.

Spencer Livermore

FINANCIAL SECRETARY TO THE TREASURY