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How Boxing Clever with the *Patent Box* can mean Money for Nothing

What bigger boost to innovative UK companies could there be than money for nothing? That's what will be in the *Patent Box* from 1 April 2013 for UK companies who hold a Qualifying patent. But they need to be boxing clever.

Money for Nothing? What's the Catch?

The publication of the draft Finance Bill 2012 does not reveal one. Of course it's money for nothing *not* in the sense of an investment or a free loan *but* in the sense of being a welcome relief from HMRC. The effect is nonetheless the same and the sums involved could be substantial.

If your product is covered by a Qualifying patent, you can benefit from a rate of corporation tax of only 10% payable on the profit from worldwide income generated by the product.

It's a tax rebate straight to the bottom-line. Money for nothing which in the current economic climate is hard to find.

Who Holds the Key to the *Patent Box*?

Your tax adviser. And to assist them with your tax return UDL has devised two essential new tools the *Patent Box Audit* and the *Patent Box Primer*.

You should be talking to your tax adviser soon about tax planning.

The Big Idea - *The Government's Plan for Growth*

The aim of the *Patent Box* is to provide an incentive for UK companies to retain and commercialise UK patents and to develop new products and processes to be patented in the UK. The *Patent Box* is as relevant to innovative UK companies who have never contemplated patents as it is to regular patentees.

"Patents are for Multinationals only"

A common misconception. These are the facts:

a fast-tracked UK patent can be taken from application through examination to grant in 1.5 years at a cost of £5500.

That's 1.5 years and £5500 to secure a granted UK patent and a rate of corporation tax of 10% on profits relating to worldwide income.

And a UK Patent can be kept in force for 20 years (that's 20 tax rebates!).

Not to mention all the traditional benefits of patent protection.

Taking everything into account, it seems to us that there are very few innovative companies for whom patenting would not fall into the category: "*no-brainer*".

What you need to do now

You should be looking closely at your plans for product or process development. To be positioned to take full advantage of the tax break in April 2013, you need now to be exploring opportunities to patent those products or processes. Many of UDL's regular clients are doing precisely that.

UDL has been guiding UK companies through the patenting process for 130 years. We know what we are talking about. Boxing clever with the *Patent Box* really can mean money for nothing.

To learn how to box clever with the *Patent Box* today, please contact:

Garry Stuttard
Tel: 0113 245 2388
Email: udl@udl.co.uk

The Patent Box

Contact Us

These notes are provided for guidance only. For further information, please visit our website at www.udl.co.uk or contact one of our offices:

Cardiff

7th Floor
Churchill House
Churchill Way
Cardiff
CF10 2HH

Tel: +44 (0) 29 2064 2150
Fax: +44 (0) 29 2034 0600
Email: cardiff@udl.co.uk

London

33 Glasshouse Street
London
W1B 5DG

Tel: +44 (0) 20 7667 6640
Fax: +44 (0) 113 399 9170
Email: london@udl.co.uk

Leeds

Tower North Central
Merrion Way
Leeds
LS2 8PA

Tel: +44 (0) 113 245 2388
Fax: +44 (0) 113 243 0446
Email: leeds@udl.co.uk

Milton Keynes

Midsummer House
413 Midsummer Boulevard
Milton Keynes
MK9 3BN

Tel: +44 (0) 1908 666645
Fax: +44 (0) 1908 351155
Email: milton_keynes@udl.co.uk

Newcastle

Cale Cross House
156 Pilgrim Street
Newcastle-Upon-Tyne
NE1 6SU

Tel: +44 (0) 191 261 8573
Fax: +44 (0) 191 222 1604
Email: newcastle@udl.co.uk

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