

26<sup>th</sup> April 2010

**Tax Specialist urges SMEs to proactively tax plan to aid Cashflow**



The Institute of Tax Annual Conference was held in Galway on Friday, 23<sup>rd</sup> and Saturday, 24<sup>th</sup> of April. Jackie Masterson, a Tax Partner with Russell Brennan Keane spoke to the assembled tax experts on “Staying Positive - Assisting and Advising SME Clients”. A challenging subject in these times, Jackie focussed her attention on practical cash flow tips and recent topical developments specifically affecting the Small and Medium Enterprises sector.

Jackie considered various cash flow saving tips across all types of taxes. In relation to Corporation Tax, Jackie focused on the new start up exception and also highlighted how the R&D tax credit, which is significantly underutilised by the SME sector, can be of benefit to many SME businesses. “This credit which has been ignored by many in the past should be seriously relooked at in view of the fact that it is now more valuable, €25 credit for every €100 of qualifying spend and can be paid as a cash refund to businesses over three years, in certain circumstances” she said.

Most businesses have the challenges of dealing with bad debts and Jackie encouraged businesses to examine any bad debts or provisions in the context of a tax deduction for corporate taxes or a refund of VAT. In relation to VAT, she also outlined the possibility of accounting for VAT on a cash receipts basis. Jackie also reminded delegates of being able to use a pending redundancy rebate against other taxes immediately.

Jackie’s presentation outlined how the corporate start up exemption for new businesses and the employers PRSI incentive scheme were very helpful in assisting the SME sector in the current economy. She also outlined the pension amendments proposed to be introduced into tax legislation and the significant planning opportunities that are still available in order to provide for retirement and tax efficiency.

In the current economy, Jackie reminded businesses of the availability of BES Relief and certain grants, in particular from Enterprise Ireland, who is very helpful towards the SME sector. Overall, Jackie was very positive as regards recent developments in the SME sector and advised businesses “to seek out tax incentives, grants and other cash flow savings as a route to surviving and growing in the current economy”.

**About RBK**

Russell Brennan Keane is one of Irelands leading business advisory and accountancy firms. With 50 years experience providing professional advisory services to a range of clients in the mid to large corporate market in Ireland, from offices in Dublin, Athlone and Roscommon.

**Press Contact:**

Mary Cloonan

Tel: + 353 (0)90 6480600 or 086 8227228

Email: [mcloonan@rbk.ie](mailto:mcloonan@rbk.ie)