THE R&D TAX INCENTIVE

The essentials

Are you:
• An Australian or foreign company, and an Australian resident for income purposes undertaking R&D or considering investing in R&D?
• A foreign corporation carrying on R&D activities through a permanent establishment in Australia?

Then you should look closely at the R&D Tax Incentive.

THE R&D TAX INCENTIVE

Where can I find out more?

Contact DIIS for information on eligible activities and how to apply:
• visit the website - business.gov.au/taxincentive
• call via phone - 13 28 46

Contact the ATO for information on eligible entities and amounts you can claim:
• visit the website – ato.gov.au/business/research-and-development-tax-incentive
• call the ATO - 13 28 66

In response to a review undertaken of the R&D Tax Incentive program, the Government is implementing administration changes to improve the integrity of the R&D Tax Incentive. Further information about the R&D Tax Incentive reforms can be found on business.gov.au

business.gov.au
13 28 46

R&D Tax Incentive

At a Glance
THE R&D TAX INCENTIVE

Is your business innovative and looking to grow?

If your business is doing research and development then the Australian Government’s R&D Tax Incentive may help offset some of the costs. To find out more talk to The Department of Industry, Innovation and Science (DIIS).

The R&D Tax Incentive is:
- generous;
- easy to access; and
- open to eligible businesses in all industry sectors.

Why would you do R&D?
Innovative businesses are more profitable, productive and competitive.

R&D is a driver of innovation and can help you:
- develop new products and services;
- improve business processes; and
- solve problems and improve efficiency.

What does the R&D Tax Incentive offer?
A generous tax offset for eligible small and large businesses. It has two core components:
- A 43.5 per cent refundable tax offset for most small to medium companies with an annual turnover of less than $20 million per annum.
- A 38.5 per cent non-refundable tax offset to other eligible businesses.

For companies whose eligible expenditure exceeds $100 million for an income year, the tax offset for amounts claimed above $100 million is calculated using the company tax rate.

Additional benefits include:
- Option to gain certainty through an Advance Finding.
- Some overseas R&D activities are claimable (certain conditions apply).

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How do I access the program?

Conduct eligible R&D activities
- Check the business.gov.au website for more guidance
- Contact DIIS or the the Australian Taxation Office (ATO) for advice
- Use our online R&D Tax Incentive Snapshot

Pay less tax
- Improve your bottom line
- Grow your business
- Re-invest in R&D

Register with DIIS
- Keep records of your R&D activities and amounts you can claim
- Fill out the online registration form
- Register within 10 months of the end of your income year

Lodge your company tax return with the ATO
- Check what amounts you can claim on the ATO website
- Use the ATO’s Research and Development Tax Incentive Calculator
- Claim in your company tax return

Scan to see the R&D Tax Incentive Snapshot