

R&D Tax Credit

At a glance

- A credit rate of 15%
- Minimum R&D expenditure of \$50,000 per year
- A broad R&D definition and wide accessibility
- Refundability for some taxpayers
- Expenditure incurred in commercial production may be eligible, subject to restriction
- Accounting treatment of expenditure does not dictate eligibility
- \$120m cap on eligible expenditure – with the option of extension




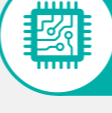


Eligible Projects

Projects will have eligible R&D where the whole or elements of the project meet the below criteria:

- A scientific or technological problem
- The problem is difficult for a professional to solve
- you undertake a methodical or investigative problem solving approach
- The project intends to create new knowledge or new / improved goods or services

Eligible R&D expenditure

Is expenditure on activities that aim to create new knowledge or new or improved processes services or goods. Generally, this includes:

-  Employment costs (Generally make up the largest part)
-  Depreciation on R&D assets
-  Subcontractor costs
-  Cost of materials
-  Overhead costs
-  Overseas R&D costs

Other expenditure may be eligible for the credit, to the extent that they are directly related to the R&D activities.

Record Keeping

Sufficient records created in real time* to support the R&D tax credit claim is required from claiming businesses.

A robust methodology is essential for identifying and recording:

- R&D activities
 - Core as well as supporting activities
- Eligible expenditure
 - Accurate collection of real time employee costs across your project base

*"real time" will be relevant to your business or industry

How we can help you

We work with you to complete the R&D Tax Credit process from start to finish, in a way which suits your business needs.

Applications for the R&D Tax Credit

We can prepare and lodge the appropriate applications for you.

We engage with your technical and finance staff to scope eligible R&D activities and gather the required information to create and file the R&D approvals.



Support with record keeping

Robust record keeping is essential to making a quality R&D tax credit claim.

We can review or help to introduce record-keeping processes for capturing relevant R&D information.



Education

We can provide education to help you build in-house capability with your key technical and finance people. Generally this includes:

- What R&D is and how it should be identified and recorded;
- Identifying relevant expenditure to capitalise on the tax credit opportunity;
- Ensuring business unit and technical management buy-in to the R&D process.

Contact us



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