

# THE AUSTRALIAN R&D TAX INCENTIVE

The Australian R&D Tax Incentive is a program that helps businesses offset some of the costs associated with investing in research. It is a wide-ranging program which is open to firms of all sizes in all sectors who are conducting eligible research and development (R&D).



## How AGRF can benefit R&D organisations

Organisations doing their own research work need to have spent at least \$20K on eligible R&D to claim the tax offset. However this threshold does not apply if they have contracted the work to a registered Research Service Provider (RSP).

The Australian Genome Research Facility (AGRF) is a Registered Research Agency (RRA) and is therefore automatically registered as a RSP. *Therefore every dollar spent with AGRF could be eligible for the tax offset.*

### Outsourcing research to AGRF has a number of benefits

- Small, start-up operations or new ventures can effectively avoid establishment costs of equipment and the costs associated with supporting infrastructure, maintenance, staffing, obsolescence and change of direction.
- Use of an RRA frees up internal resources for other purposes and controls operating costs.
- By using a RRA there is reduced impact in the event of an unpredictable outcome.
- AGRF provides services which are NATA accredited and ISO/IEC 17025:2005 compliant.
- AGRF can effectively manage the data step so that you can get reliable, quality results.
- There is no minimum spending threshold to attract the R&D taxation rebate at AGRF.

## How it works

It is a two-part process:

1. Taxpaying entities need to register their projects with AusIndustry. AusIndustry only register projects that are truly R&D (ie. novel, innovative)
2. The Australian Tax Office (ATO) ensures only eligible expenditure for each registered R&D project is considered for the R&D Tax Incentive.

### The incentive

43.5% refundable tax offset for eligible companies with a turnover of less than \$20M per annum. Being refundable means that even if the company has incurred a tax loss for the year, they actually receive the tax offset amount from the ATO.

38.5% non-refundable tax offset for all other eligible companies earning over \$20M per annum.

### For further information visit:

[www.business.gov.au/grants-and-assistance](http://www.business.gov.au/grants-and-assistance)

### Our funding partners

AGRF is a not-for-profit organisation supported by the Commonwealth Government infrastructure schemes administered through Bioplatforms Australia.

These schemes include NCRIS, EIF, Super Science Initiative CRIS and NCRIS 2.