



# R&D Tax Incentive

## What is The Research and Development (R&D) Tax Incentive?

The R&D Tax Incentive is a generous tax incentive offered by the Australian government to encourage innovation as a driver of economic growth. The program is designed to encourage businesses to conduct R&D activities and to provide businesses with the support to do so.

The R&D Tax Incentive offers eligible companies a tax offset of up to 43.5% depending on the company's annual aggregated turnover, for some of the cost of doing eligible research & development activities.

## Who can apply?

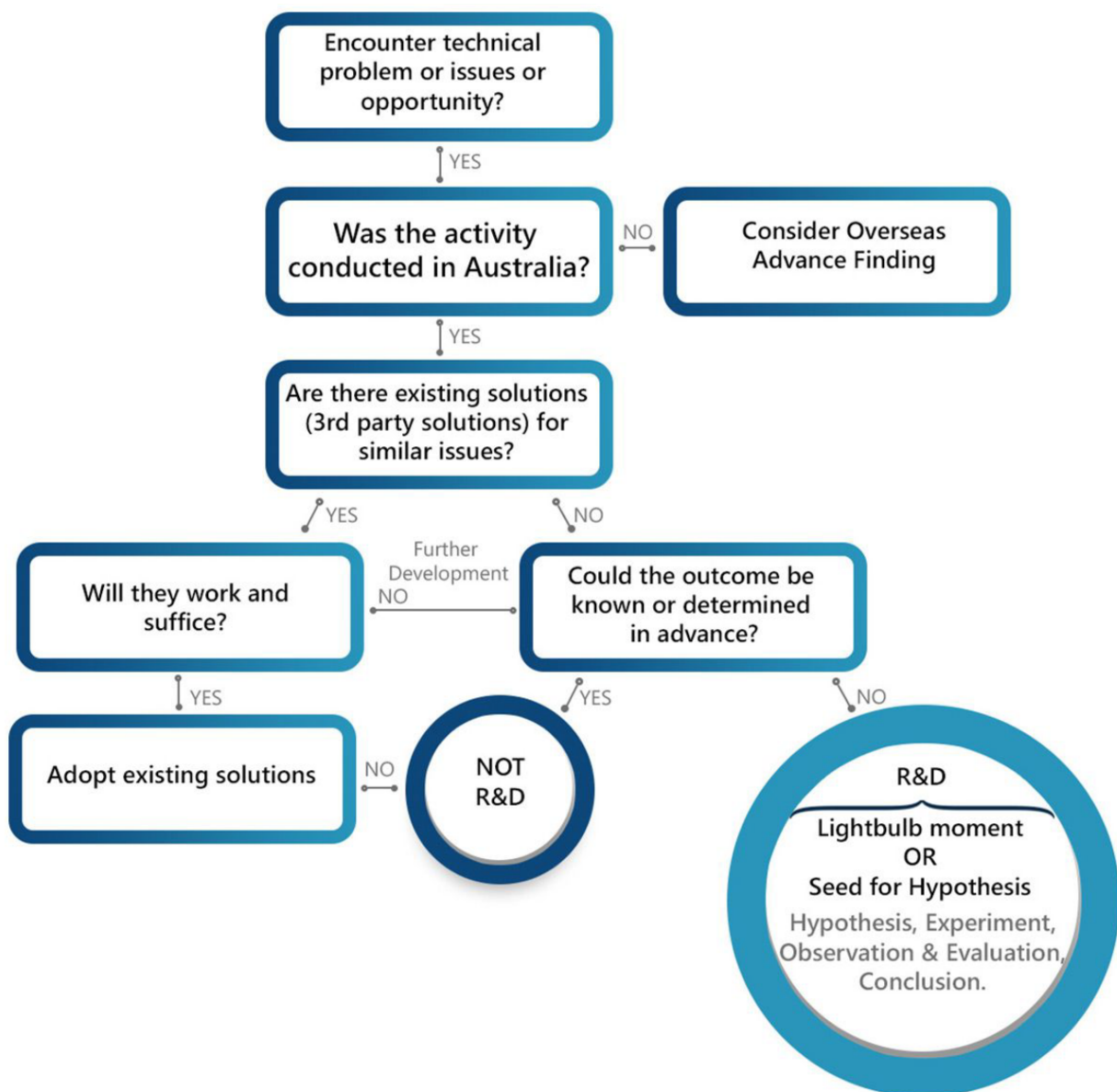
At a minimum, applicants must:

- be an incorporated company
- be conducting eligible core R&D activities. These are defined as being experiments that are guided by hypotheses and conducted for the purpose of generating new knowledge
- have incurred eligible R&D expenditure or notional deductions of at least \$20,000 (unless using a Research Service Provider or a Cooperative Research Centre).

# What are eligible R&D activities?

Eligible R&D activities are either 'core R&D activities' or 'supporting R&D activities'. The R&D activities you register for the tax incentive must meet all aspects of the legal definitions for either a core or supporting R&D activity. You must keep documentation and records that demonstrate the eligibility of all registered activities.

To claim the R&D Tax Incentive you must have at least one core R&D activity.



# The Application Process

The R&D Tax Incentive program is administered by AusIndustry, a division of the Department of Industry, Innovation and Science and the Australian Taxation Office (ATO). Registration is submitted to AusIndustry and is required for each year of income in which R&D expenditure is incurred. Registration must be lodged no later than 10 months after the end of a company's financial year.

Once AusIndustry has processed the registration to ensure that the activities comply with the R&D legislation, the ATO checks the eligibility of the R&D expenditure claimed in the tax return and provides the funds. From registration to receipt of the incentive, the process typically takes 42 days.

## **Elderton can provide early access to your R&D refund entitlements**

We understand the difficulty in managing cashflow whilst running a successful R&D program. Under the current R&D Tax Incentive system, companies are not able to access their R&D entitlement until after the completion of the financial year in which the R&D expenditure occurred.

We are now able to offer our clients the ability to access their R&D refunds quarterly, in the same year that the R&D expenditure has occurred. With the help of our R&D capital provider, we can quickly determine whether this option would be accessible to your business. If you would like more information about how your business could be accessing its R&D refund entitlements early, please contact us for a confidential discussion.







## Our R&D Tax Expertise

Elderton Group are experienced in this field and we understand the intricacies of R&D Tax Incentives.

Whether you already know you are eligible for the R&D Tax Incentive or need our experts to let you know whether you are eligible, we are well positioned to assist you.

Our extensive range of R&D services includes:

- R&D Tax Incentive Eligibility Assessments
- Claim Preparation and Submission
- Record Keeping
- R&D Audit Advisory
- ATO Risk Reviews and Audit Management

Elderton Group are experienced in preparing successful R&D Tax Incentive claims.

We work with companies to develop strategies to maximise R&D Tax Incentive Claims and can assist you with each step of the compliance process.

Speak to us today about how we can assist your business in assessing your business's eligibility or in managing any stage of the submission and compliance processes.

### Contact Us

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