

Research & Development (R&D) Tax Incentive

Helps companies innovate and grow by offsetting some of the costs of eligible research and development (R&D).

The tax offset for eligible R&D conducted from 1 July 2021 is now based on a premium on top of your corporate tax rate.

- Turnover of less than \$20 million: For R&D entities with aggregated turnover of less than \$20 million, the refundable R&D tax offset is your corporate tax rate plus an 18.5% premium
- Turnover of \$20 million or more: For R&D entities with aggregated turnover of \$20 million or more, the non-refundable R&D tax offset is your corporate tax rate plus an incremental premium.

The premium increments are based on your R&D Intensity. This is a percentage of your eligible R&D expenditure as proportion of your total expenditure for the year.

- All eligible R&D expenditure up to 2% R&D Intensity will receive a non-refundable R&D tax offset equal to your corporate tax rate plus 8.5% premium
- Additional eligible R&D expenditure above 2% R&D Intensity will receive a non-refundable R&D tax offset of your corporate tax rate plus 16.5% premium.

If you are claiming eligible R&D conducted up to 30 June 2021, the previous tax offset rates apply.

Depending on your company's annual turnover, the R&D TI provides either a refundable or non-refundable tax offset.

- 43.5% refundable tax offset is available to companies with an annual turnover of less than \$20 million
- 38.5% non-refundable tax offset is available to companies with an annual turnover is more than \$20 million.

Link

<https://business.gov.au/grants-and-programs/research-and-development-tax-incentive>

Status

Open

Provider

Australian Department of Industry, Science, Energy and Resources

Amount

Unspecified

Rounds

None - Always Open

Location

- National

Who Can Apply

- Non-Government
- Education
- Health
- Other
- Businesses

Co-contribution Required?

Yes

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