Research and Development Legislation Bill 1988

Date Introduced: 28 April 1988
House: House of Representatives
Presented by: Hon. Barry O. Jones, M.P., Minister for Science, Customs and Small Business

Digest of Bill

Purpose

Background
A recent review of the 150% tax concession on research and development expenditure made recommendations for changes. These were taken up in a joint press release by the Treasurer and the Minister for Industry, Technology and Commerce dated 20 November 1987. Curtailment of the concession for building expenditure and clarification in respect of claims for computer software development were introduced in the Taxation Laws Amendment Bill (No. 5) 1987.

Main Provisions
This Bill implements changes to the powers of the Industry Research and Development Board, transferring those powers from the Income Tax Assessment Act to the Industry Research and Development Act.

The Bill broadens the powers of the Board to refuse to register a company for the tax concession if the activities are not research and development activities, if the activities do not have enough Australian content, or if the application does not meet such conditions as are within the Board’s authority to determine.

Access to the tax concession for companies with annual research and development expenditure of less than $50,000 is extended.

To encourage applications for activities beyond the means of one company, the Bill gives the Board the power to give prior ‘in principle’ approval to applications and to subsequently jointly register companies for the concession. The companies will be assured of the concession unless they depart from the approved activities.
For further information, if required, contact the Science, Technology and Environment Group.

13 May 1988

Bills Digest Service
Legislative Research Service

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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