

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into the Treasury Laws Amendment (Research and Development Tax Incentive) Bill 2019
[Provisions]

Division: Individuals and Indirect Tax Division
Topic: RDTI refundables
Reference: Written

Question:

- What was the total cost of the program in FY18?
 - What was the total cost for refundables?
 - What was the total cost for non-refundables?
- Is the estimate of the cost of the program based on:
 - 43.5 per cent for refundables and 38.5 per cent for non-refundables?
 - 43.5 per cent for refundables and 8.5 per cent for refundables?
 - 16 per cent for refundables and 8.5 per cent for non-refundables?
 - If none of these, what is the correct apportionment of costs between refundables and non-refundables?

Answer:

Information is published in the 2019-20 Science, Research and Innovation (SRI) portfolio budget tables available at <https://www.industry.gov.au/data-and-publications/science-research-and-innovation-sri-budget-tables>.

The cost of the Research and Development Tax Incentive (R&DTI) is based on the additional tax offset associated with research and development related business expenses. This is calculated by the headline R&D tax offset rate minus the company tax rate.