

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: Refundables
Reference: Spoken

Question:

Senator KIM CARR: Thank you. My understanding is that the refundables for 2018, which are the last figures I've got—2018 are the last figures available, aren't they?

Mr Maloney: For the refundable tax—

Senator KIM CARR: For refundable payments; is that right?

Mr Maloney: I believe so, yes.

Senator KIM CARR: Eleven thousand, four hundred and fifty-four—is that the figure you're issuing?

Mr Maloney: Where are you reading that from?

Senator KIM CARR: I'm getting it actually from one of your documents. Let's not be too cute about it. You've got your briefing papers there. Can you tell me whether or not I'm right?

Mr Maloney: Are you referring to the cost of the refundable—

Senator KIM CARR: The number of registrations. In terms of refundables for financial year 2018, that's 11,554.

Mr Maloney: In my recollection, that sounds about right.

Senator KIM CARR: And non-refundables is 2,777.

Mr Maloney: On the non-refundables: I'd have to take that on notice, but I think that's—

Senator KIM CARR: Correct?

Mr Maloney: That is in the ballpark, yes.

Senator KIM CARR: Would you like to take that on notice to confirm those figures if you don't have them in your briefing paper?

Mr Maloney: I'm happy to take that on notice.

Senator KIM CARR: The average spend for the non-refundables is \$506,373. Is that correct?

Mr Maloney: Again, I'm happy to take that on notice and come back to you.

Senator KIM CARR: And for non-refundables it's \$2,304,645. Would you take that on notice if you don't have that figure with you?

Mr Maloney: I'm certainly happy to take it on notice.

Answer:

The Treasury does not collect data on registration of the Research and Development Tax Incentive (R&DTI). AusIndustry is the agency responsible with the administration of

registration of the programme. Please refer to IQ20-000031 for information on registration data.

Information on Research and Development Tax Incentive claims for the refundable and non-refundable offset are available in the Australian Taxation Office Taxation Statistics – Company Table 6. The statistics for the 2017-18 income year can be found at:
https://data.gov.au/data/dataset/taxation-statistics-2017-18/resource/b1eca851-d293-4c5b-9058-63ae4e95b802?inner_span=True

Actual R&D expenditures of companies reported in tax returns may be lower than expected at the time of registration. Some companies may not claim on the R&DTI despite registering their intent to claim.