

# Australian Taxation Office

## Research and development tax incentive calculator 2014

Version : 2.0.1

**This tool takes 15 minutes to complete**

The research and development (R&D) tax incentive provides a targeted tax offset to encourage certain companies (R&D entities) to conduct R&D activities that benefit Australia.

It provides generous benefits for companies performing eligible R&D activities and has the following two core components:

- a 45% refundable tax offset for eligible entities with an aggregated turnover of less than \$20 million – unless they are controlled by tax exempt entities.
- a 40% non-refundable tax offset for all other eligible entities.

To claim the R&D tax offset each year, you must complete the *Research and development tax incentive schedule 2014* and a company tax return.

### Why use this calculator?

This tool will help you with completing the *Research and development tax incentive schedule*. A printable version of the schedule is available at the completion of this calculator. The printed schedule will be accepted for lodgement with an original tax return or an amendment request. You will also be able to print summary screens while completing the calculator.

Before using this calculator, you should read the guide [R&D tax incentive – Amounts you can claim](#) to work out the amounts you are eligible to claim as a notional R&D deduction.

### Calculations and records you need to have with you to use this calculator

You must have a tax file number (TFN), Australian business number (ABN), company name and AusIndustry/Innovation Australia registration number for the company (or head company) claiming the R&D tax incentive.

Before using the calculator, make sure you have worked out:

- the amount of notional R&D deductions that have been entered at item 6 in the company tax return and will need to be 'added back' to ensure you don't over claim your deductions
- the total amount of expenditure incurred to associates, even if it has not been paid (as it is not eligible to be claimed as a notional R&D deduction)
- the total amount of expenditure incurred to associates that has been claimed under other provisions
- if you have exempt entity ownership of 50% or greater
- all entities that you are connected or affiliated with
- the annual turnover amount of the claimant company and each connected or affiliated entity
- any amount excluded from aggregated turnover under subsection 328-115(3) of the *Income Tax Assessment Act 1997* (ITAA 1997)
- if you are required to make a feedstock adjustment in the claim year for one or more marketable products, and if so, determined the following for each marketable product
  - market value of the marketable product
  - cost of producing the feedstock output
  - cost of producing the marketable product
  - expenditure in one or more years in acquiring or producing goods or materials (feedstock inputs)
  - cost of energy input directly into the transformation or processing
  - decline in value of assets used in acquiring or producing the inputs to the R&D activities.
- if you have obtained a recoupment (including a grant) related to expenditure notionally deducted under the R&D tax incentive, and if so determined the following for each recoupment
  - type of recoupment (grant or reimbursement of expenditure)
  - amount of the recoupment
  - R&D expenditure related to that recoupment
  - if the recoupment is a reimbursement of project expenditure, the total amount expended on the project.

### What to do after completing this calculator

Attach your completed R&D tax incentive schedule to your company tax return, ensuring you transfer all

amounts to the company tax return (as directed on the R&D tax incentive schedule).

Do not send the summary report with your schedule – keep that for your own records.

## Disclaimer

- This calculator provides a completed *Research and development tax incentive schedule 2014* based on the information you have provided.
- The details entered are used to complete your *Research and development tax incentive schedule 2014*. They are not transmitted to us.
- You must print off and lodge a completed R&D tax incentive schedule with the company tax return if you are making a claim for the R&D tax incentive under Division 355 of the ITAA 1997 in your company tax return.

Exit

Start

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Some of the advice and guidance on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our advice and guidance does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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