

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry and Science Portfolio
Additional Estimates 2014-15
26 February 2015

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY AND SCIENCE

TOPIC: R&D Tax Assessment

REFERENCE: Question on Notice (Hansard, 26 February 2015, page 113)

QUESTION No.: AI-17

Senator KIM CARR: I am because we have been in this game for a long time and we know that we cannot rely on Treasury estimates or projections in this area, whereas I do have some confidence that your work dealing directly with companies is likely to produce more reliable statistics. What is your estimate of the number of companies that are affected?

Ms Beauchamp: That is really hypothetical, given that the Treasurer and the Minister for Finance have already indicated that it is fewer than 25 corporate companies and I think the Treasury would have access to the proper data to make that assessment through the tax office.

Senator KIM CARR: And the tax accountants wouldn't? Because they are the ones who have made the claim that the figures that the Treasury have issued are wrong.

Mr Lewis: AusIndustry's figures are that there are 24 groups of companies that were registered in 2012-13 that had registered an amount over \$100 million.

Senator KIM CARR: So there are 24 groups of companies. How many companies does that involve? You said they are groups of companies. How many individual companies are there?

Mr Lewis: I am not certain how many individual companies—

Senator KIM CARR: How many companies are there in the Wesfarmers group, as an example?

Mr Lewis: We would have to take that on notice. But certainly under the R&D tax incentive corporate groups register for the incentive in the same way that corporate groups deal with the tax system....

ANSWER

As at 31 December 2014, for income year 2012-13, the 24 groups of companies registering more than \$100 million of R&D expenditure included a total of 127 R&D-performing entities.

Under the confidentiality provisions of the legislation we cannot provide information about any specific taxpayer.