

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
Additional Budget Estimates Hearing 2006-07
15 & 16 February 2007

AGENCY/DEPARTMENT: INDUSTRY, TOURISM AND RESOURCES

TOPIC: *R&D Tax Concession*

REFERENCE: Hansard 16/2/07, Page E15

QUESTION No. AI-21
(Hansard 16/2/07, Page E15)

Senator CARR asked:—Do you have any estimates of the R&D that is currently undertaken in Australia that is made ineligible for concession because of the beneficial ownership test?

Mr Peel—We could see whether we have denied any registrations for that purpose. We can take that on notice and check the numbers.

ANSWER

AusIndustry does not maintain data relating to R&D undertaken in Australia that is not eligible for concession because of the beneficial ownership provisions. This is a specific Australian Taxation Office responsibility (the ‘on-own behalf’ provision - section 73B(9) of the *Income Tax Assessment Act 1936*). Accordingly, AusIndustry does not deny registration for 'beneficial ownership' reasons, but can and has advised the Australian Taxation Office when it considers there may be an issue to be investigated for a particular company.