

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Supplementary Budget Estimates Hearing 2013-14
21 November 2013

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Tax Laws Amendment (Research and Development) Bill 2013

REFERENCE: Written Question – Senator Carr

QUESTION NO.: SI-120

In relation to the Tax Laws Amendment (Research and Development) Bill 2013 that was introduced in Parliament in November 2013:

1. When was the Department advised that the Government would introduce this legislation?
2. What is the Department's role in regards to the legislation?
3. Was the Department consulted on the drafting of the legislation?
4. Are the savings associated with this measure earmarked to fund industry programs? If so, which ones?
5. How many companies operating in Australia would be affected by this measure?
6. Has the department calculated how much these companies invest in R&D in Australia?
7. What percentage of the claims under the previous Tax Concession were from these companies?
8. What percentage of the claims under the new R&D Tax Incentive are from these companies?

ANSWER

1. The Department was advised in early November 2013 that *Tax Laws Amendment (Research and Development) Bill 2013* would be introduced.
2. The Department provided drafting instructions for the consequential amendments to the *Industry Research and Development Act 1986*, and input to the explanatory memorandum in relation to those consequential amendments.
3. Yes.
4. This is being considered by the Government.
5. It is expected that less than 20 corporate groups will be affected by the measure.
6. No. Modelling is a matter for the Department of the Treasury.
7. Responsibility of Australian Taxation Office.
8. Responsibility of Australian Taxation Office.