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### **Biotech industry will have to wait for tax concessions**

AUSTRALIA'S biotechnology and innovation sector may have to wait until months after Tuesday's Budget for the completion of an industry assistance review to see how it will fare under the Rudd administration.

Business and biotechnology lobby groups have called for reform of tax concessions for research and development.

However, Industry Minister Kim Carr's review of innovation assistance, chaired by CSIRO board member Terry Cutler, is not due to produce a green paper until the end of July, meaning that any major reforms are unlikely to be contained in next week's document.

The national biotechnology industry organisation, **Ausbiotech**, is pushing for a range of improvements to industry assistance. **Ausbiotech** chief executive Anna Lavelle yesterday said the Government should strengthen existing assistance programs for biotechnology start-up companies and assign more administrative power to the industry's co-ordinating body, Biotechnology Australia.

Dr Lavelle also insisted changes were needed to the research and development tax concession regime, with the current offset cap remaining at \$1 million since 1998.

She said the cap should be raised through indexation to \$2 million.

``Currently companies that spend anything over \$1 million on research and development are unfairly disadvantaged as any tax benefit is removed," she said.