

Media Release



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FOR IMMEDIATE RELEASE

R& D tax credit legislation reaches Parliament at last

AusBiotech CEO, Dr Anna Lavelle said:

“AusBiotech welcomes the news that the long-awaited R&D tax credit Bill has been introduced to Parliament, and we look forward to a swift passage of the legislation so that the tax credit can start on 1 July 2010 as planned – and meet its policy intent of supporting innovation.”

“AusBiotech and its membership have been strong advocates for the move to a tax credit – since its recommendation by Dr Terry Cutler in the Innovation Review of 2008, and its subsequent announcement at the 2009 federal budget.”

“Today is the result of two years of advocating, consultation and working toward a good policy for innovation, however the work is not done yet. The Bill still needs to pass, and we support its passage and eagerly await a positive outcome.”

“The current concession, while providing some support for biotechnology, is not ‘working’ for the industry as a whole and the move to the tax credit is needed.”

“The biggest winners of the tax credit will be those companies in their early stages with turnover of less than \$20m with no commercial production yet, which are able to cash out the refundable credit if in tax loss.”

“The tax credit will provide greater incentives and support for start-up and small biotechnology companies and is well targeted to increase R&D expenditure among these companies.”

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