

Consultation

Research and Development (R&D) Tax Incentive: Targeting Access

Name

Mr Frederick John Morgan

Submission text

To Treasury

Research and Development (R&D) Tax Incentive: Targeting Access

- 1. I note that the proposed s355-103 proposes using a \$20b turnover threshold based on aggregating the assessable income of the R&D Entity with that of the entities that are its 'affiliates' and also those which are 'connected with' it, under Div 328 of the ITAA97.*
- 2. I note that these definitions have caused considerable difficulty in the 'small business CGT concession' context.*
- 3. I realise that the affected businesses will be very large (with \$20b turnovers) and therefore have much greater resources to try and work out whether there are entities whose assessable income must be included.*
- 4 Even so, I think they are definitions that are very difficult, and you might look again at how appropriate they are.*

*Thank you,
John Morgan
Barrister at Law.
12.5.13*