

**Consultation**

*R&D tax incentive: Quarterly credits*

**Name**

*Mr Peter Sutherland*

**Submission text**

*I have invested in a number of IT start-ups based in Canberra. The delay in receipt of the R&D grant has always caused problems because the companies, in their early days, have been very reliant on the R&D rebate.*

*In several cases, companies have had to raise loans from Directors/Shareholders, secured by the R&D rebate amount, at high interest during the period July - October.*

*Several of the companies I have invested in have failed and lack of cash flow is the base reason rather than product or management of development.*

*A quarterly payment raises some risk for the ATO but would be a significant benefit to start-ups.*