



The Australian Industry Group
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August 30, 2021

Board of Taxation Secretariat
The Treasury
Langton Crescent
Parkes ACT 2600

By email: RandD@taxboard.gov.au

RE: Review of the R&D Tax Incentive (R&D TI) Dual-Agency Administration Model

The Australian Industry Group (Ai Group) welcomes the opportunity to provide brief comments regarding the above consultation.

Ai Group is a peak national employer association representing and connecting thousands of businesses in a variety of industries and sectors across Australia. Our membership and affiliates include private sector employers large and small from more than 60,000 businesses employing over 1 million staff.

General comment on best practice management of the R&D TI:

- Agencies should provide clear and consistent guidance, made easily accessible to businesses. This guidance should extend beyond application, to the responsibilities then carried by successful applicants.
- Compliance activities should be undertaken in a timely manner, noting the findings of the 2019 [ASBFEO Report](#) on the subject where compliance activity (review and audit) was retrospective and commenced several years after the relevant research and development R&D activity was undertaken and the R&D TI refund received.
- All steps should be taken to avoid duplication of effort and data between agencies.
- The R&D TI process should be simplified to the greatest extent possible to reduce barriers to access and consulting costs for businesses, and to make businesses less vulnerable to poor advice from 'unscrupulous' R&D consultants¹.
- There should be a strong, transparent mechanism available through which to manage process related complaints.

Should you wish to discuss the matters raised in this submission, please contact our advisor Rachael Wilkinson on 0413 352 286 or rachael.wilkinson@aigroup.com.au.

Sincerely yours,

Louise McGrath
Head of Industry Development and Policy

¹ ['Review of the R&D Tax Incentive'](#), Australian Small Business and Family Enterprise Ombudsman (2019), P.5