



An Australian Government Initiative

AusIndustry

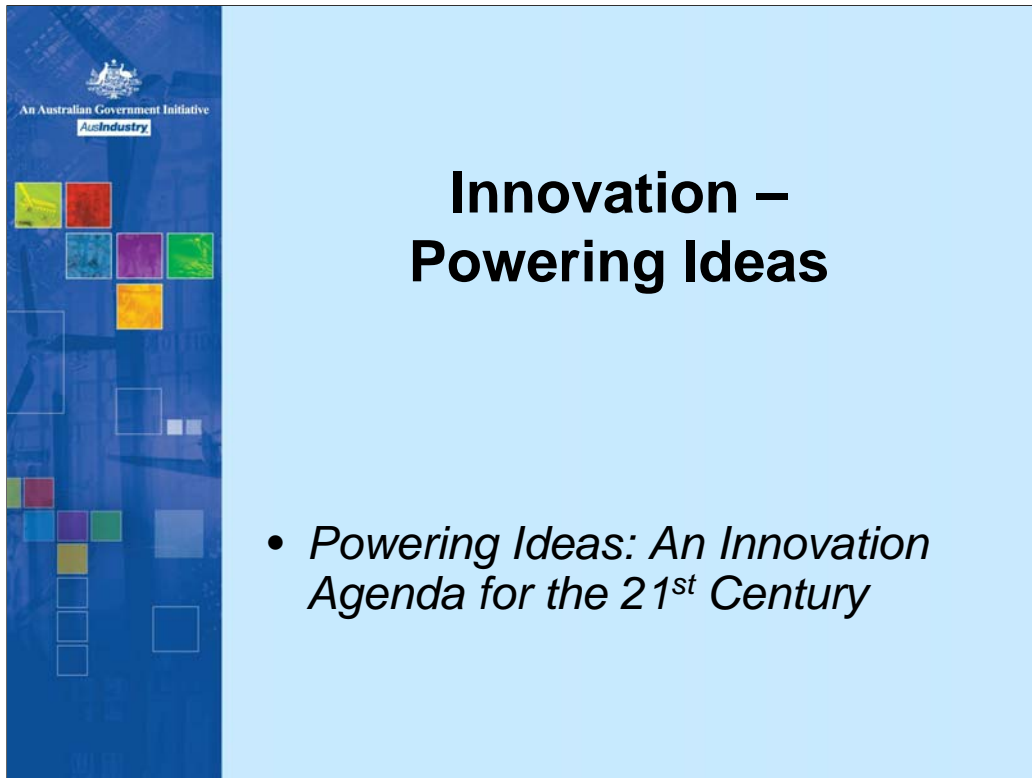
CPRS – a government perspective on how your organisation can access government support

www.ausindustry.gov.au | 13 28 46 | hotline@ausindustry.gov.au



AusIndustry – Who We Are

- Department of Innovation,
Industry, Science and Research



- *Powering Ideas: An Innovation Agenda for the 21st Century* was released by the Federal Government on budget night
- Minister Carr made an address to the Committee For Economic Development of Australia on 7 July 2009 in Sydney, outlining this innovation agenda
- This report is a response to the recommendations of the review of the National innovation System
- Some key themes outlined in *Powering Ideas* include:
 - Innovation is the key to making Australia more productive and competitive
 - It is also the key to answering climate change challenges
 - Our capacity for invention and discovery depends on the strength of the innovation system
 - This is the system we use to harness the creativity of our people
 - Entrepreneurs, policy-makers, researchers, workers, and consumers are all part of the innovation system
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AusIndustry Programs

- Clean Business Australia
- Commercialising Emerging Technologies (COMET)
- Green Car Innovation Fund
- R&D Tax Concession
- R&D Tax Credit (2010)
- Small Business Initiatives
- Tradex



Carbon Pollution Reduction Scheme

- Green paper released July 2008
- White paper in response released December 2008
- Draft legislation released
- Current discussions on amendments to the draft legislation



Make the most of opportunities

Climate Change Action Fund
The Government has established the **\$2.75 billion Climate Change Action Fund**

The Government has established the \$2.75 billion Climate Change Action Fund to provide targeted assistance to business, community sector organisations, workers, regions and communities, helping to smooth the transition to a low-pollution economy. The Climate Change Action Fund will operate over seven years from 2009-10 to 2015-16.

The Climate Change Action Fund will assist:

- Small to medium sized enterprises and community sector organisations which may be impacted by the Carbon Pollution Reduction Scheme (CPRS)
- Specific industries, workers, regions and communities that may experience a concentrated impact flowing from the implementation of the CPRS
- Businesses that are not eligible for other forms of assistance associated with the CPRS, recognising that there may be other situations where assistance is warranted.



Know your obligations

- Obligation on around 1,000 businesses to report emissions-related information & liability to surrender emissions units



How will climate change affect your business?



Dept. of Climate Change

- www.climatechange.gov.au
- A – Z programs



AusIndustry programs

- Clean Business Australia



Climate Ready

Overview

The *Climate Ready* program is part of the Australian Government's \$240 million *Clean Business Australia* initiative, for innovative projects that address climate change challenges. *Climate Ready* provides \$75 million over four years, commencing 2008-09.

Assistance

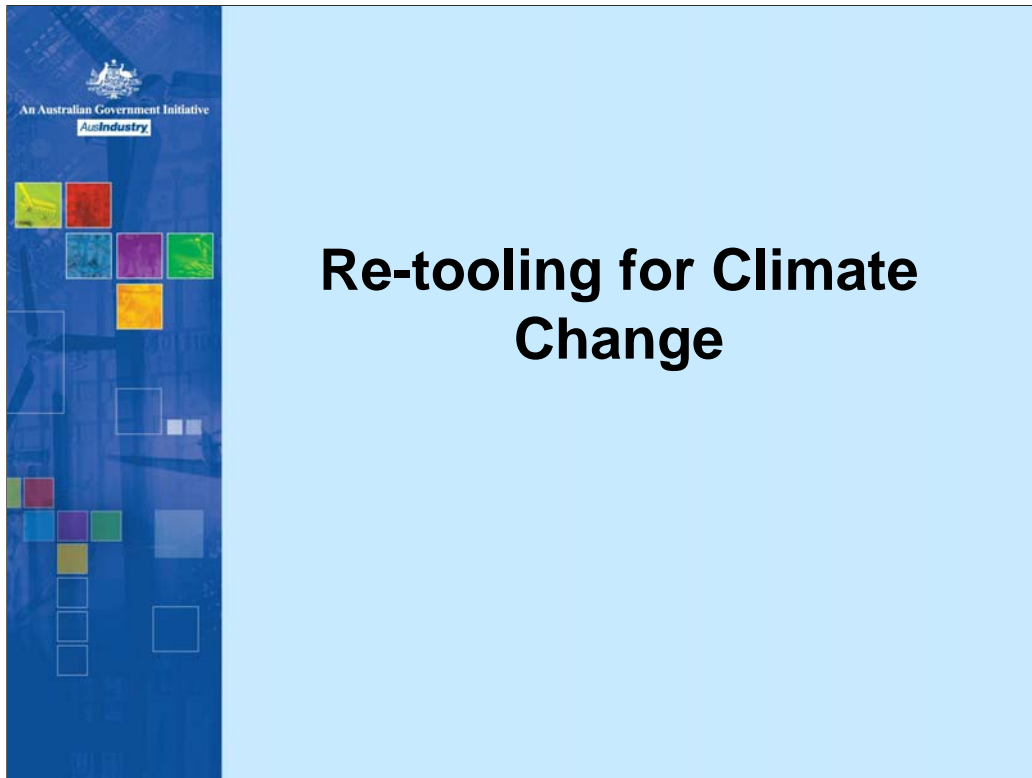
Climate Ready is a competitive-merit and rounds based granting program offering grants of \$50,000 to \$5 million on a matched funding basis.

Grants are available to support R&D, proof-of-concept and early-stage commercialisation activities that directly address climate change challenges.

Round 4 closed 25 June 2009. Further advice about future funding rounds will not be available until the conclusion of round four.

Additional funding rounds will be dependent on the quality of applications received and the numbers of projects recommended for funding.

Customers are advised to subscribe to the AusIndustry free email updates to receive an email notification for new information or program changes.



Re-tooling for Climate Change

Overview

The *Re-tooling for Climate Change (RCC)* program is part of the Australian Government's \$240 million Clean Business Australia initiative.

RCC provides \$75 million over four years, commencing 2008-09.

RCC is a competitive, merit and rounds based granting program offering \$10,000 to \$500,000 matched funding to manufacturers to reduce their environmental footprint.

Assistance

RCC provides Australian manufacturers with grants to improve their production processes and reduce their environmental footprint.

Projects must be directed towards improving energy and/or water efficiency.

Rounds:

Round 4 – open to 24 August 2009

Round 5 – open to 30 November 2009

Round 6 – open to 22 March 2010



Green Building Fund

Overview

The *Green Building Fund (GBF)* program is part of the Australian Government's \$240 million Clean Business Australia initiative.

The *GBF* program provides \$90 million over four years, commencing 2008-09.

Assistance

GBF is a competitive, merit and rounds based granting program delivered in two streams of activity.

Stream A:

designed to help Australian businesses implement cost saving energy efficiency measures through retrofitting and retro-commissioning of existing commercial buildings. To be eligible, at least 70% of the building should be utilised as commercial space

grants ranging from \$50,000 to \$500,000 are available for up to 50% of project costs.

Rounds:

Round 3 – closed 30 June 2009

Round 4 – open to 22 September 2009

Round 5 – open to 12 January 2010

Round 6 – open to 27 April 2010.

Stream B:

provides a limited number of grants to develop the knowledge, skills, or capability of those involved in the operation of commercial office buildings, to improve energy efficiency and reduce emissions

grants of up to \$200,000 are available for up to 50% of project costs.

Rounds:

Round 1 – closed 15 January 2009

Round 2 – open to 12 January 2010.



Commercialising Emerging Technologies

Overview

Commercialising Emerging Technologies (COMET) is a merit based grant program to increase the commercialisation of innovative products, processes and services.

COMET projects must have proof of concept complete with limited technical risks remaining and be an emerging technology that is new on a global scale.

COMET is funded to 30 June 2011.

Assistance

COMET business advisers provide advice on commercialising an innovation. The business advisers are from the private sector on contract to the Commonwealth.

COMET is open to applications from:

early-growth-stage companies

spin-off companies formed by individuals from either public or private research institutions.

Agreements entered into from 1 July 2009 will have contract terms that do not extend beyond 30 June 2011.



R&D Tax Concession

Overview

The *R&D Tax Concession* is currently the principal Australian Government initiative to increase the level of R&D being conducted by Australian companies.

The program aims to encourage innovative, competitive and export-oriented Australian industries.

This program is an entitlement program which will change to a tax credit system in 2010-11 and transitional measures will apply in 2009-10.

Assistance

R&D Tax Concession key elements:

self assessment program

annual R&D expenditure of \$20,000 and above may be eligible

a lesser amount may be eligible if R&D is undertaken by a contracted Registered Research Agency (RRA)

enables companies to deduct expenditure on R&D activities from their assessable income when lodging their corporate tax return

expenditure which is eligible under the concession can be deducted at 125 per cent, and in some cases 175 per cent, (no later than 2009-10)

eligible R&D must include systematic, investigative and experimental (SIE) activities which involve innovation or high technical risk

exclusions and conditions apply to certain types and location of activities eg human sciences and overseas activities

R&D Plans must be prepared and approved prior to project commencement and contemporaneous documents maintained

annual registration of R&D activities with AusIndustry is a prerequisite for companies claiming the tax concession

applications must be lodged annually within 10 months after the end of the company's financial year.

Advance registration for specific activities for up to three years is available for companies seeking certainty of eligibility where they are a planning long term project – an application must be made in advance of the activities being undertaken.

Internal Communications Guide Innovation and Venture Capital Programs Page 14 of 22 Version 2

Tax Offset key elements:



R&D Tax Credit

Overview

The *R&D Tax Credit* is a broad-based, market-driven program coming into effect 2010-11 to replace the *R&D Tax Concession*.

An industry consultation process will be undertaken to implement this new program in mid-2009, details to be confirmed.

This is an entitlement program and transitional measures will apply in 2009-10.

Assistance

R&D Tax Credit key elements:

self assessment program

decoupling from the corporate tax rate

the refundable credit is available to firms in tax loss with a turnover of less than \$20 million per annum, providing a significant benefit to high-tech start up companies

firms undertaking R&D in Australia where the intellectual property is held overseas are eligible

a 45 per cent refundable tax credit (equivalent to a 150 per cent concession) will be provided to small firms with a turnover of less than \$20 million per annum

a 40 per cent tax credit (equivalent to a 133 per cent deduction) will be provided to foreign-owned firms and firms with a turnover of more than \$20 million per annum.

Increased assistance is balanced by removal of the complex *R&D Tax Concession Premium* and *International Premium* and tightening of the definitions of eligible R&D to provide better targeted support.

The image shows a promotional graphic for the Small Business Support Line. On the left is a vertical blue banner with the Australian Government crest at the top, followed by the text 'An Australian Government Initiative' and 'AusIndustry'. Below this are several small, colorful squares in a grid pattern. The right side of the graphic has a light blue background with the title 'Small Business Support Line' in large, bold, black font. Below the title are two bullet points: '• 1800 77 7275' and '• sbsl@innovation.gov.au' in bold black font.

Small Business Support Line

- **1800 77 7275**
- **sbsl@innovation.gov.au**

1800 777 275 or sbsl@innovation.gov.au

Small Business Support Line

Overview

The Australian Government has committed \$10 million to 30 June 2011, for the provision of the Small Business Support Line and referral service.

The service is dedicated to assisting small businesses during the global financial crisis.

Assistance

Advice provided to small business owners and referrals to specialist advisers on matters such as:

- obtaining finance
- cash flow management
- retail leasing
- personal stress and hardship counselling
- promotion and marketing advice.



Accessing AusIndustry

- Hotline - 13 28 46
- AusIndustry - www.ausindustry.gov.au
- Department of Innovation, Industry, Science & Research - www.innovation.gov.au



Grants sites

Federal Government

- www.business.gov.au
- www.grantslink.gov.au

State Government

- www.smallbiz.nsw.gov.au



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