



# THE R&D TAX INCENTIVE

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**The Government has committed to raising New Zealand's R&D expenditure to 2% of GDP over 10 years.**

To reach this target we need more businesses to increase their expenditure on R&D. They will be supported through an R&D tax incentive.

We have listened to your feedback and have produced a user friendly, fit-for-purpose scheme that will support a wide range of businesses to undertake more R&D.

The key features of the R&D tax incentive include:



A credit rate of 15%



A minimum R&D expenditure threshold of \$50,000 per year



A limited form of refunds for the first year of the scheme, with a full policy in place by April 2020



A \$120 million cap on eligible expenditure

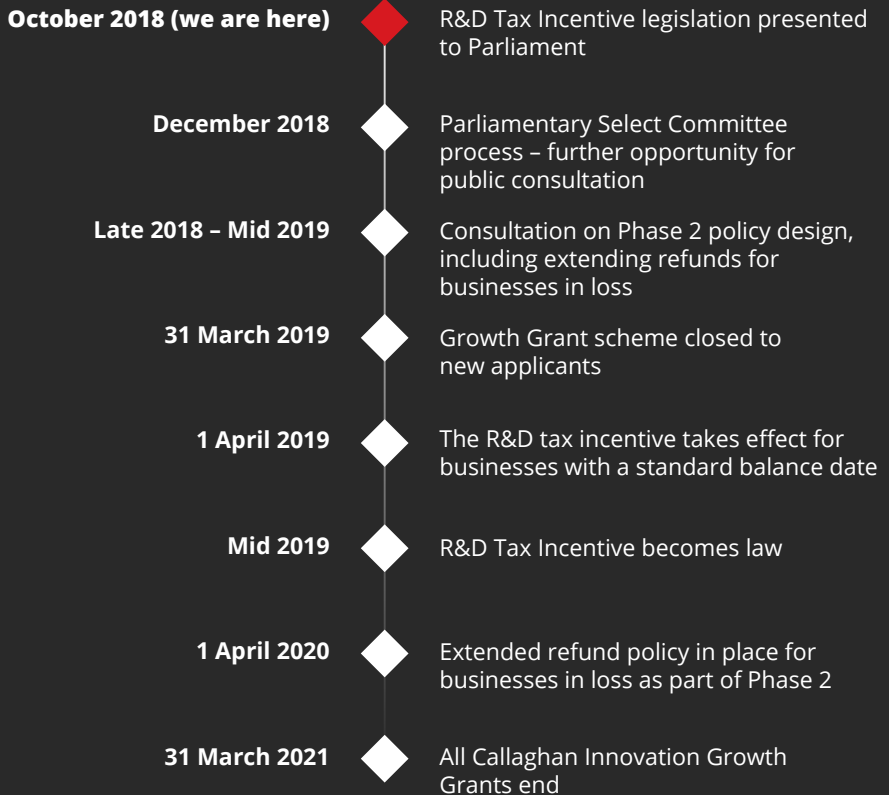


A definition of R&D that ensures accessibility across all sectors

The 15% tax credit will be available from the beginning of your 2019/20 income year.

**For more information visit [MBIE.govt.nz/RDincentive](https://www.mbie.govt.nz/RDincentive)**

# Expected timeline



New Zealand Government

Te Kāwanatanga o Aotearoa