

A quick guide to Federal grants for businesses

Based on information provided by the Federal Government as at 01/08/2024.

Fact Sheet, August 2024

The Australian Federal Government currently provide a range of tax incentives and grants to businesses aimed at supporting research, innovation and export.

Whether you are eligible for a government grant depends on a number of factors including the size and nature of your business, your financial position, staff numbers and geographic location.

As a starting point, here is a quick guide to some of the various options available at the date of this fact sheet.

Research & Development Tax Incentive

Lodged as part of a company's income tax return, this is a tax offset based on the company's R&D activities during the year.

- + Companies with aggregate turnover below \$20m could be eligible for a refundable tax offset on R&D expenses equal to their corporate rate + 18.5%.
- + Companies with aggregate turnover of \$20m or more could be eligible for a non-refundable tax offset on R&D expenses equal to their corporate rate + 8.5% or 16.5%, depending on R&D Intensity.

We work closely with R&D specialists to assess companies' eligibility and to submit their claims as part of the income tax return.

Early Stage Innovation Companies Tax Incentive

This is an incentive provided to investors in Early ESICs, designed to make startups more attractive to angel investors for capital raising. Eligible investors will receive:

- + A non-refundable carry-forward tax offset equal to 20% of their investment (up to \$200k); and
- + No capital gain (or losses) on the disposal of the shares if held between 12 months and 10 years.

There are multiple eligibility requirements around the company and the investors, including a points system. There are also specific reporting duties for the company in regard to the investors.

See our article [Tax Incentives for Early Stage Investors](#) for more information and contact us if you would like us to assess your eligibility, provide assurances to potential investors or help you to claim the incentives from the ATO.

CSIRO Kick-Start

Up to \$50k as dollar-matched grants, to help support businesses (turnover between \$1.5m and \$100m) conduct short-term CSIRO research, where they:

- + Research new ideas with commercial potential;
- + Develop novel or improved products or processes; or
- + Test self-developed novel products, to inform research and development activities.

Small Business Export Loans Export Finance Australia Loans

These provide options to secure loans to support your export activities when banks are unable to help.

Industry Growth

The program has been established to support innovative Small and Medium Enterprises (SMEs) undertaking commercialisation and/or growth projects within the National Reconstruction Fund (NRF) priority areas. Participating businesses will have access to Advisory Services to help them overcome significant challenges that may be associated with their projects. The program's Advisory Service is complemented by two grant opportunities:

- + grants of \$50,000 to \$250,000 to support early-stage commercialisation projects;
- + grants of \$100,000 to \$5 million for commercialisation and growth projects.

Many grants have been discontinued over the past few years, including the closure of the Entrepreneurs' Programme (which included the Accelerating Commercialisation grant).

Please contact Accru if you have questions about these opportunities or would like our help with your applications.

Disclaimer: This fact sheet is of a general nature only and is not intended to be relied upon as, nor to be a substitute for, specific professional advice. No responsibility for loss occasioned to any person acting or refraining from action as a result of this information can be accepted.

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