Moving on from New to R&D grant to the R&D Tax Incentive

RESEARCH + DEVELOPMENT TAX INCENTIVE

With your newly found R&D capabilities, skills and knowledge, and your first R&D project underway, you should now be considering the R&D Tax Incentive (RDTI): a 15% tax credit that can be claimed annually against eligible R&D expenditure.

For RDTI, you can apply for the following R&D expenditure:

Any R&D expenditure after the end of your New to R&D contact date.

You can apply for the RDTI for R&D expenditure after your R&D contract date, even if the full contract amount was not spent. Start by enrolling for RDTI during the year your grant ends and file a general approval application.

R&D expenditure over and above your New to R&D contract amount

You can apply for the RDTI for R&D expenditure over the New to R&D contract amount (total of grant & co-funding amount). It is important to record the date when your expenditure reaches the amount covered by the New to R&D contract.

Expenditure on your next exciting R&D project

No doubt you have lots of innovative ideas. Now you have the ability to explore them. You can apply for RDTI for your company's follow-on and side R&D projects, as long as they are not included in your New to R&D grant contract.

RDTI Guidance (IR1240) offers guidance for all types of grants and includes scenario examples, see section "Expenditure that relates to a government or local authority grant".

Don't forget, every RDTI application is considered based on the details of that application. We recommend that you contact the MBIE Engagement team to discuss your specific scenario.

Book a time with the team: Free tailored support | RDTI.govt.nz