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Australian life sciences sector unites in opposition to proposed R&D Tax Incentive changes

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Proposed tax change doesnâ??t recognise commercial timelines: Say experts

BioMelbourne Network, along with AusBiotech and seven other of Australia's leading biotech, medtech and health technology peak body organisations, have called for an urgent review of the Federal Government's proposed changes to the Research & Development Tax Incentive (RDTI).

AusBiotech, BioMelbourne Network, Pathology Technology Australia, MTPConnect, ANDHealth, Life Sciences Queensland, Life Sciences WA, BioNSW and ARCS Australia have written to the Treasurer Jim Chalmers outlining the unintended consequences some proposed changes could have on investment, health innovation, manufacturing and jobs.

What they have raised

- **Proposed 10-year cap on the refundable RDTI** does not reflect the realities of developing new health technologies. The government's own strategies recognise that bringing life-changing innovations to patients routinely takes well beyond a decade.
- **Proposed changes to the treatment of supporting R&D activities:** Many activities that may be considered supporting in our sector are integral to our ability to undertake Research and Development – for example manufacturing of product to enable Australian clinical trials.
- **Proposed CGT reforms:** like start ups in other sectors, the proposed changes may further constrain investment into early-stage, high-growth life sciences companies and our ability to attract specialised talent to Australian life sciences companies, in a globally competitive environment.

Australia's life sciences sector supports more than **350,000 jobs**, spans almost **3,000 organisations**, and has cumulatively been Australia's largest value-add export industry outside primary industries since 2016.