CR 2009/45 - Income tax: research and development: membership funding for the Australian Coal Association Research Program

Class Ruling

Income tax: research and development: membership funding for the Australian Coal Association Research Program

Contents Para

This publication provides you with the following level of protection:

This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

A public ruling is an expression of the Commissioner's opinion about the way in which a relevant provision applies, or would apply, to entities generally or to a class of entities in relation to a particular scheme or a class of schemes.

If you rely on this ruling, the Commissioner must apply the law to you in the way set out in the ruling (unless the Commissioner is satisfied that the ruling is incorrect and disadvantages you, in which case the law may be applied to you in a way that is more favourable for you – provided the Commissioner is not prevented from doing so by a time limit imposed by the law). You will be protected from having to pay any underpaid tax, penalty or interest in respect of the matters covered by this ruling if it turns out that it does not correctly state how the relevant provision applies to you.

What this Ruling is about

1. This Ruling sets out the Commissioner's opinion on the way in which the relevant provisions identified below apply to the defined class of entities, who take part in the scheme to which this Ruling relates.

Relevant provision(s)

2. The relevant provision dealt with in this Ruling is:

- section 73B of the *Income Tax Assessment Act 1936* (ITAA 1936).[1]

[1] All legislative references are to the ITAA 1936 unless otherwise indicated.

Class of entities

3. The class of persons to which this Ruling applies are 'eligible companies', as defined by subsection 73B(1) who are liable for levy contributions under the Australian Coal Association Research Program (ACARP), and who are registered for each of the relevant years of income with Innovation Australia, in accordance with subsection 73B(10). In this Ruling such companies are sometimes referred to as 'contributing companies'.

4. This Ruling **does not apply** to eligible companies that are not registered for the relevant years of income with Innovation Australia. The publication of this Ruling does not relieve companies making ACARP contributions of the obligation to make separate applications for registration of their activities under section 39J of the *Industry Research and Development Act 1986*.

Qualifications

5. The Commissioner makes this Ruling based on the precise scheme identified in this Ruling.

6. The class of entities defined in this Ruling may rely on its contents provided the scheme actually carried out accords with the scheme described in paragraphs 16 to 42 of this Ruling.

7. If the scheme actually carried out is materially different from the scheme that is described in this Ruling, then:

- this Ruling has no binding effect on the Commissioner because the scheme entered into is not the scheme on which the Commissioner has ruled; and
- this Ruling may be withdrawn or modified.

Date of effect

9. This Ruling applies to the class of persons who participate in the scheme from 1 July 2010 to 30 June 2015. However, this Ruling will not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of this Ruling (see paragraphs 75 and 76 of Taxation Ruling TR 2006/10).

10. Furthermore, the Ruling only applies to the extent that:

- it is not later withdrawn by *Gazette*;
- it is not taken to be withdrawn by an inconsistent later public ruling; or
- the relevant tax laws are not amended.

11. This Ruling is withdrawn and ceases to have effect after 30 June 2015. The Ruling continues to apply, in respect of the tax law(s) ruled upon, to all persons within the specified class who enter into and carry out the specified arrangement during the term of this Ruling.

Changes in the law

12. Although this Ruling deals with the income tax laws enacted at the time it was issued, later amendments may impact on this Ruling. Any such amendments may mean that this Ruling ceases to have effect or that its operation is materially affected.

13. On 12 May 2009, the Treasurer announced that from and including the income year 2010-2011 the Government will replace the Research and Development (R&D) Tax Concession with a simplified R&D Tax Credit. This change may affect the application of this Ruling.

14. As this change has not yet been enacted no Ruling can be made in relation to it. Eligible companies who are considering participating in the scheme are advised to confirm with their taxation adviser that changes in the law have not affected this Ruling since it was issued.

Previous Rulings

15. Class Ruling CR 2005/9 was issued on 9 March 2005, regarding membership funding for the ACARP. Class Ruling CR 2005/9 applies to the income years ended 30 June 2006 to 30 June 2010.

Scheme

16. The following description of the scheme is based on information provided by the applicant. The following documents, or relevant parts of them form part of and are to be read with the description:

- the application for class ruling and accompanying attachments dated 13 November 2008;
- letter to the Tax Office from the applicant and accompanying attachments dated 12 December 2008;
- email to the Tax Office from the applicant and accompanying attachments dated 13 January 2009;
- email to the Tax Office from the applicant and accompanying attachments dated 2 March 2009
- letter to the Tax Office from the applicant and accompanying attachments dated 10 March 2009;
- letter to the Tax Office from the applicant and accompanying attachments dated 9 April 2009;
- email to the Tax Office from the applicant and accompanying attachments dated 27 April 2009
- emails to the Tax Office from the applicant and accompanying attachments dated 1 May 2009
- the Australian Coal Research Limited Constitution adopted at the General Meeting by Special Resolution on 19 December 2006;
- Overview Assessment of ACARP Investment Performance prepared for the ACARP by ACIL Tasman dated December 2003.

Note: certain information has been provided on a commercial-in-confidence basis and will not be disclosed or released under Freedom of Information legislation.

Memorandum of Understanding

17. The ACARP was formed in accordance with a Memorandum of Understanding (MOU) between the Australian Coal Association (ACA) and the Commonwealth Government.

18. The MOU between the chairman of ACA and the Minister for Primary Industries and Energy was first signed on 22 January 1992. The arrangement set out in the MOU was subsequently extended to 30 June 2005 and later to 30 June 2010. The Minister for Industry, Tourism and Resources has agreed to a further extension of the arrangement in the MOU from the income years ended 30 June 2011 to 30 June 2015 inclusive.

19. The purpose of the MOU is to provide for the establishment of an industry research arrangement to replace the operations of the Coal Research Trust Account (CRTA). The arrangement is designed to provide for collective and integrated research on coal for the purpose of:

- providing strategic leadership to industry R&D and to act as a catalyst to stimulate R&D interest within the coal and associated industries;
- improving the management and application of coal research in Australia; ensuring the more effective use of Australia's black coal resources;
- increasing the economic, environmental, safety and social benefits to the industry and wider community; and promoting the competitiveness,
- sustainable use and management of Australia's coal resources.

20. The MOU explains that in the pursuit of these objectives the ACA undertakes to allocate research funds so raised, including interest earned, exclusively for the administration and execution of coal research and development activities.

Australian Coal Research Limited

21. ACA has established a legal entity, Australian Coal Research Limited (ACR) to carry out all ACARP Management (including financial and statutory responsibilities) on its behalf.

22. ACR's Constitution describes its objects, many of which mirror those in the MOU.

23. The Board of ACR comprises senior industry personnel nominated by contributing companies. In addition, ACR also has an executive director. All ACR Board members are also members of the ACA.

24. ACR is an income tax exempt entity.

25. ACR will have its registration as a registered research agency under section 39F of the *Industry Research and Development Act 1986* extended, in relation to the categories of research and development activities that are carried out.

26. ACR is not an 'associate' of any contributing companies as defined in section 318.

Deed of Agreement between ACR and each operator of coal producing assets (Deed of Agreement)

27. Each affected coal producer (referred to as an 'operator of coal producing assets') enters into a Deed of Agreement with ACR under which they are liable to make Contributions (contributions or levies). Agency clauses are present in the agreement, which demonstrate that in some circumstances, the operator of coal producing assets is entering into the Deed of Agreement on behalf of each of the mine owners (contributing companies).

28. In consideration for the promise by ACR that the Contributions shall be applied exclusively in respect of research and development as defined in the agreement, that the results of the research and development will be made available to the operator to the extent possible and other covenants by ACR, the operator agrees to pay the Contributions to ACR.

29. Contributions are calculated at the rate of $0.05 per tonne of coal produced by the operator during the term of the agreement, on a monthly basis. All Contributions paid to ACR become property of ACR.

30. The Deed of Agreement defines 'research and development' to mean scientific, technical or economic research in connection with the exploration, mining and beneficiation of coal or products derived from coal, including the demonstration and development thereof, and includes:

(a) the training of persons for the purpose of any such research and development;

(b) the publication of reports, periodicals, books and papers in connection with such research and development;

(c) the dissemination of information and advice in connection with scientific, technical or economic matters related to exploration, mining and beneficiation of coal or products derived from coal;

(d) any matters incidental or relating to a matter referred to in this definition; and

(e) any matters incidental or relating to the obligations of ACR under this Deed of Agreement including costs incurred in collection of Contributions.

31. The Deed of Agreement and the manner in which the program is executed provide rights to coal producers in relation to the R&D to be undertaken, such that control of the R&D resides with the contributing companies.

32. All black coal producers in Australia are expected to enter into the Deed of Agreement and thus become liable to make contributions to ACR for the period 1 July 2010 to 30 June 2015.

ACARP's funding and operations

33. Levies paid to ACR by contributing companies that are directed towards research and development activities (R&D activities), as defined in subsection 73B(1), constitute 'expenditure incurred' for the purposes of the definition of 'contracted expenditure' in subsection 73B(1).

34. All levy contributions are used for R&D activities, as defined in subsection 73B(1). Levies fund projects carried out under Fundamental, Applied and Commissioned Study Research and Development Agreements to which ACR is a party. Other activities are funded by interest earned on funds held for future commitments and royalties.

35. It is rare that any projects are completely funded by ACARP. These projects are carried out on a collaborative basis with cash and in kind contributions made by other parties (including researchers).

36. Benefits received by contributing companies and parties to these agreements from R&D projects including their interest in the results of the projects concerned, are commensurate with the contributions made.

37. Previous research has shown that ACARP delivers significant net benefits to the coal industry. Whilst ACR has obtained some commercialisation proceeds, this has been negligible, and is not expected to become a major benefit.

38. ACARP provides outcomes with general solutions to all aspects of concern to the Australian black coal industry as specified in the MOU, being the agreed purpose of the research program. All contributing companies are capable by virtue of the relationship between those anticipated results and the nature of their business, of utilising the results of the R&D activities associated with each project directly in connection with a business that they carry on.

Research and Development Agreements – Fundamental, Applied and Commissioned Study

39. ACR enters into the following types of Research and Development Agreements with researchers:

- Fundamental;
- Applied; and
- Commissioned Study.

40. Between 30 June 2005 and 30 June 2008, ACARP commenced 179 projects under the above mentioned agreement types. Of these projects, 153 were undertaken under Fundamental Research and Development Agreements, 14 under Applied Research and Development Agreements and 12 under Commissioned Study Research and Development Agreements or were not agreed to under formal agreements, but rather an exchange of letters or some other approach. There is no evidence to suggest that these proportions will materially change in the future.

41. Common to all three formal agreements are the following conditions:

- it is agreed by ACR and the researcher that a critical objective of the project is to make the results and outcomes of the research readily available to ACR on behalf of the Australian coal industry; and
- the researcher must submit a final report to ACR (describing all work done in connection with the project). The researcher agrees that ACR may publish the final report.

42. Most of these agreements are entered into for the purpose of generating knowledge benefits for contributing companies, and this is the dominant benefit arising out of these agreements.

Ruling

43. For the years of income ended 30 June 2011 to 30 June 2015 inclusive (or equivalent substituted accounting periods):

(a) contributing companies can claim a deduction under subsection 73B(13) for levies/contributions paid to ACR and applied in return for the performance of research and development activities (as defined in subsection 73B(1)), on their behalf; and

(b) subsection 73B(9) will not prevent this deduction from being allowable.

44. No deduction is allowable under subsection 73B(13) for any proportion of the levies/contributions applied to the performance of activities that do not come within the definition of 'research and development activities' (as defined in subsection 73B(1)).

45. No deduction is allowable for a contributing company under subsection 73B(13) if that company is not registered with Innovation Australia, as required by subsection 73B(10) for a particular income year.

Appendix 1 – Explanation

This Appendix is provided as information to help you understand how the Commissioner's view has been reached. It does not form part of the binding public ruling.

Subsection 73B(13) – contracted expenditure

46. Subsection 73B(13) allows a deduction if an eligible company incurs contracted expenditure during a year of income (subject to any other relevant requirements in section 73B being satisfied). In accordance with subsection 73B(13), the deduction an eligible company can claim is calculated by multiplying the expenditure incurred by 1.25 in each year of income.

47. A deduction will be available in a year of income under subsection 73B(13) if:

- an eligible company;
- incurs 'contracted expenditure' (as defined in subsection 73B(1)) during a year of income; and
- the deduction is not prevented by other provisions of section 73B.

Eligible company

48. An eligible company means a body corporate incorporated under a law of the Commonwealth or a State or Territory (subsection 73B(1)).

49. The class of persons to which this Ruling applies (contributing companies) are eligible companies within the meaning of subsection 73B(1). Therefore this requirement is satisfied for the class of persons to which this Ruling applies.

Incurs 'contracted expenditure'

50. In accordance with the Deed of Agreement, contributing companies incur expenditure in the form of levies. For the purposes of subsection 73B(1), to be 'contracted expenditure' this expenditure must be incurred by an eligible company:

(a) on or after 1 July 1985 – to the Coal Research Trust Account;

(b) during the period commencing on 1 July 1985 and ending on 30 June 1988 – to an approved research institute; or

(c) on or after 20 November 1987 – to a body (not being an associate of the eligible company) that was, or is taken to have been, registered under section 39F of the *Industry Research and Development Act 1986* when the expenditure was incurred as a research agency in respect of the class of research and development activities on which the expenditure was incurred;

in consideration for that Trust Account funding the performance of, or that institute or agency performing, on or after the date concerned, or during the period concerned, as the case may be, research and development activities on behalf of the company.

51. As this Ruling relates to the income years ended 30 June 2011 to 30 June 2015 inclusive, paragraph (c) of paragraph 50 of this Ruling is the relevant paragraph for consideration. Note that paragraph (a) of paragraph 50 of this Ruling is not relevant, despite the fact that the predecessor to the ACARP involved payments to the CRTA.

52. ACR is registered as a research agency under section 39F of the *Industry Research and Development Act 1986* in relation to a number of identified areas. Levies are used to fund activities within those areas.

53. The definition of 'contracted expenditure in subsection 73B(1) requires that the agency is 'performing' research and development activities on behalf of the company. In this context 'performing' covers cases where the actual R&D activities are conducted, on a subcontract basis, by other persons, as is the case with ACARP. However, the R&D activities that are performed must be carried out on behalf of the contributing companies.

54. In the Deed of Agreement ACR promises that Contributions will be applied exclusively in respect of 'research and development'. It is noted that the definition of 'research and development' in the Deed of Agreement between ACR and the operator of coal producing assets is different to the definition of 'research and development activities' in subsection 73B(1). However, the applicant advises that levies are directed only to those activities meeting the requirements of the definition of 'research and development activities' in subsection 73B(1). Activities outside of this definition are supported by non-levy funds. This Ruling is made on the basis that levies are used to fund R&D activities as defined in subsection 73B(1).

55. Further, ACR is not an associate (as defined in section 318) of those eligible companies that will be paying levies.

56. Hence, the levies incurred by contributing companies will meet the requirements of paragraph (c) of the definition of contracted expenditure in paragraph 50 of this Ruling. However, the definition also requires that the relevant R&D activities are undertaken 'on behalf of' the company (in this case the 'company' refers to a contributing company). Expenditure will not be 'contracted expenditure' unless this additional requirement is satisfied.

57. Whether R&D activities are to be carried out 'on behalf of' any other persons besides the contributing companies, for the purposes of subsection 73B(9), is considered in paragraphs 60 to 86 of this Ruling.

58. Given that there is no partnership between contributing companies, subsections 73B(3A) and 73B(3B) do not apply.

Is the deduction otherwise precluded under section 73B?

59. As mentioned in paragraph 46 of this Ruling, a deduction is only available under subsection 73B(13) if all other relevant requirements of section 73B are satisfied. Two subsections that must be considered in this respect are:

- subsection 73B(9); and
- subsection 73B(10).[2]

Subsection 73B(9) – 'on behalf of any other person'

60. Subsection 73B(9) provides that a deduction is not allowable under section 73B (except subsection 73B(14C)) in respect of expenditure incurred by an eligible company for the purpose of carrying on R&D activities 'on behalf of any other person'. Expenditure of that kind is disregarded for the purposes of the application of section 73B (except subsections 73B(14C) and 73B(14D)) to the company. Note that subsections 73B(14C) and 73B(14D) refer to deductions that can be claimed for expenditure on foreign owned R&D. These provisions are not relevant to this Ruling, as the expenditure in question is not expenditure on foreign owned R&D as defined in subsection 73B(14D).

61. There is a link between subsection 73B(9) and the requirement set out in the definition of contracted expenditure in subsection 73B(1). Expenditure incurred by an eligible company will only qualify as 'contracted expenditure' as defined in subsection 73B(1) if R&D activities are carried out 'on behalf of' the company.

[2] The class of persons to whom this Ruling applies only includes eligible companies who register in relation to specific research and development activities, in accordance with subsection 73B(10).

62. Therefore, contributing companies paying levies to ACR will only be able to claim a deduction under section 73B, if the expenditure is carried out on behalf of that contributing company and not on behalf of any other person (subject to the requirements in section 73B being satisfied).

Purpose

63. The purpose under consideration is that of the relevant expenditure, which is determined at the time of incurring the expenditure. Contributing companies pay levies in accordance with the Deed of Agreement. Under this agreement, ACR agrees to apply contributions exclusively in respect of research and development (research in connection with the exploration, mining, beneficiation and use of coal or products derived from coal, including the demonstration and development) and supply the results of all research and development to the extent possible to those contributing companies.

64. Contributing companies are aware of the contents of the above mentioned agreement at the time the expenditure is incurred. Therefore, the purpose of the expenditure is to fund those above mentioned activities, which are relevant to contributing companies' activities.

'On behalf of'

65. A levy imposed on industry members as a means of raising funds to support R&D activities may qualify for the concession to the extent that the levy payments are expended on qualifying R&D activities carried out 'on behalf of' those industry members. For R&D activities to be carried out by or on behalf of a company that is an industry member, there must be a close and direct link between the company and the work undertaken.

66. However, in accordance with subsection 73B(9), an eligible company generally cannot claim a deduction at the concessional rate in respect of expenditure incurred for the purpose of carrying on R&D activities on behalf of any other person. It is not necessary that the company be acting as an agent of the other person; the question is whether, in all the circumstances, the R&D is to be carried out in substance on behalf of the other person. This will be a question of fact in each case.

67. There has been no judicial interpretation of the phrase 'on behalf of' as used in the section 73B. However, the phrase has been considered by the courts in relation to its use in other statutory contexts.

68. In *R v. Portus: Ex parte Federated Clerks Union of Australia* (1949) 79 CLR 428, the High Court was asked to determine whether employees of Qantas were employed on behalf of the Crown and were therefore members of the Federation. The High Court stated that the phrase 'on behalf' did not have strict legal meaning and was used in a wider sense than the legal relation of principal and agent.

69. In *FC of T v. Robinson* 92 ATC 4424; (1992) 23 ATR 364 *(Robinson)* the question of law under consideration was the proper construction of the phrase 'borne on his behalf' in Article 17(1) of the Australia US Double Tax Agreement. In this decision, the issue of whether a payment had been made on behalf of an entertainer was resolved by considering whether the payment had been made 'substantially in the interest of the entertainer' or some other person. The extent of any 'comparative benefit' conferred on the entertainer compared to another person, was also considered relevant.

70. In *Cuthbertson and Richards Sawmills Pty Ltd v. Thomas* (1999) 93 FCR 141, the Full Federal Court confirmed that a determination of whether a payment or act is done 'on behalf of' a person must be made objectively on the evidence provided.

71. The decision in *Robinson* indicates that an examination needs to be made of whether a payment was made 'substantially in the interest of' the payer or another and the 'extent of the comparative benefit' it confers.[3] This examination needs to be made objectively[4] and applied at the time the payment is made. In order to make a determination of the extent to which the payments are made substantially in the interests of the members and the extent of the comparative benefits they receive in relation to the amount contributed, the factors discussed in paragraphs 72 to 86 of this Ruling are also considered relevant.

72. The requirements in provisions such as subsection 73B(1) and subsection 73B(9) (collectively referred to as the 'on own behalf requirement') effectively prevent double deductions being claimed in respect of the same R&D activities by restricting entitlement to the concessional deductions to the eligible company that:

- has control over the R&D project;[5]
- effectively owns the project results; and
- bears the financial risk associated with an R&D project.

[3] *FC of T v. Robinson* 92 ATC 4424; (1992) 23 ATR 364.
[4] *Cuthbertson and Richards Sawmills Pty Ltd v. Thomas* (1999) 93 FCR 141.
[5] This can be control by a group as a whole.

73. Arrangements which in substance abdicate either ownership or control could compel the conclusion that R&D activities were not being carried out on behalf of the company. In order to determine if R&D activities are undertaken on behalf of the contributing companies paying levies to ACR, it is necessary to consider how the factors referred to at paragraph 72 of this Ruling apply to these companies.

Control

74. It is considered that the contributing companies, as a group, sufficiently control the R&D activities that they have contracted ACR to provide. The Deed of Agreement has set the parameters for the R&D to be undertaken and the underlying philosophies which ACR is bound to follow. The contributing companies have effective legal control, as they have the ability to compel ACR to perform in accordance with the Deed of Agreement. The manner in which the program is executed also supports the conclusion that the contributing companies have sufficient control over the R&D activities.

Effective ownership

75. A company effectively owning results of the relevant R&D activities is another pointer to those activities being carried out on behalf of that company. However, it is recognised that this does not necessarily require that the company must be the proprietor of a piece of intellectual property, as formal regimes of intellectual property may not be available to protect the results. Further, it is possible that the formal owner of the intellectual property may hold it on such terms that the company has all advantages of ownership.

76. If a number of companies fund a R&D project together on their behalf, it is necessary that each must have a proper and effective interest in the R&D results.

77. Co-owners who can, as a practical matter, make use of their results in their individual activities often do not make any specific agreements about their rights as between themselves. For instance, members of industry associations may be effectively co-owners of the R&D results obtained on their behalf. Free individual use of those results is practical for them. Co-ownership of this kind is consistent with the R&D having been carried out on behalf of the individual co-owners, each of whom has a proper and effective separate interest in the results. Where each such co-owner makes a contribution, even if the contributions vary somewhat, those contributions would not usually be regarded as having been made for the purpose of carrying out R&D activities on behalf of the other co-owners.

78. Where co-owners must effectively share results or their use, the question will be whether their individual share in those results is commensurate with their contribution. This is determined by a comparison of the contributions of the co-owners to the R&D activities with their interest in or share of the results.

79. In addition, it is important to consider whether a company's interest in the overall results is appropriate to its contribution to overall research in circumstances where the research builds on existing research belonging to another person. The same principles apply when considering circumstances where the substance of a proposed arrangement shows the researcher is the holder of its own research results and their interest in the results of the R&D activities reflects their contribution.

80. ACR uses levies paid by contributing companies to fund projects carried out under Fundamental, Applied and Commissioned Study Research and Development Agreements which are directed towards R&D activities. Any intellectual property generated as a result of ACARP projects will not be legally owned by contributing companies. However, we are more concerned with effective ownership of the results of the R&D projects and whether the benefits obtained by contributing companies are such that they have an interest in the results of the projects that is commensurate with their contributions.

81. The Deed of Agreement between ACR and the operator of coal producing assets (on behalf of the mine owner) promises 'that the results of the research and development will be made available for the benefit of the operator to the extent possible under the terms of the agreement'.

82. In order to determine whether contributing companies' interests in the results of the R&D activities funded by their levies are commensurate with their contributions, it is necessary to consider the benefits that flow from the expenditure to the contributing companies.

83. An examination of the benefits that contributing companies are expected to gain and their individual interests in the results of the R&D activities conducted in connection with the arrangement to which this Ruling applies, in comparison to their relevant expenditure, leads to the conclusion that the expenditure is commensurate with the benefits to be gained.

84. The fact that ACR may receive minimal commercialisation proceeds does not alter this conclusion.

Financial risk

85. In accordance with the Deed of Agreement, contributing companies pay Contributions which are calculated at a rate of $0.05 per tonne of coal produced (sold) over the term of the agreement. Payments are required on a monthly basis. The Deed of Agreement makes it clear that these contributions become the property of ACR. These contributions cannot be refunded to contributing companies.

86. As contributing companies pay non-refundable levies, we consider that the contributing companies bear the financial risk associated with the R&D activities undertaken.

Summary

87. The levies/contributions are paid as consideration for ACR performing R&D activities 'on behalf' of the contributing companies and subsection 73B(9) will not preclude the deduction under subsection 73B(13) from being allowable.

Appendix 2 – Detailed contents list

88. The following is a detailed contents list for this Ruling:

References

Previous draft:

Not previously issued as a draft

Related Rulings/Determinations:

TR 2006/10; CR 2005/9

Subject references:

- contracted expenditure
- on own behalf
- research and development expenditure

Legislative references:

- ITAA 1936
- ITAA 1936 73B
- ITAA 1936 73B(1)
- ITAA 1936 73B(3A)
- ITAA 1936 73B(3B)
- ITAA 1936 73B(9)
- ITAA 1936 73B(10)
- ITAA 1936 73B(13)
- ITAA 1936 73B(14C)
- ITAA 1936 73B(14D)
- ITAA 1936 318
- ITAA 1953 Sch 2 Art 17
- TAA 1953
- Industry Research and Development Act 1986 39F
- Industry Research and Development Act 1986 39J
- Copyright Act 1968

Case references:

- Cuthbertson and Richards Sawmills Pty Ltd v. Thomas (1999) 93 FCR 141
- FC of T v. Robinson 92 ATC 4424; (1992) 23 ATR 364
- R v. Portus: Ex parte Federated Clerks Union of Australia (1949) 79 CLR 428

ATO references

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