

Sample of Lesson 25-02,03,04 Government Incentives & Research and Development Funding

This lesson looks at ways to get money to support your invention and the related business. There are many sources of funding mentioned.



WHAT MANY COMPANIES DON'T KNOW IS COSTING THEM MONEY.

The Scientific Research and Experimental Development (SR&ED) Tax Credit Program is one example of how companies are failing to recover funds that are available to them. Although 68% of eligible expenditures could be refunded, most companies don't file because they:

- don't understand the program
- think they aren't eligible
- find the filing process too complicated, or
- think the process is too time-consuming

WE CAN HELP...

How can the program help us?

The program gives claimants cash refunds and/or tax credits for their expenditures on eligible research and development work done in Canada. What that translates into is enabling you to hire more or better staff, conduct more development work, expedite your projects, or just simply improve your profitability. No matter how you look at it, the SR&ED program has the capability to be a regular on-going source of financing for you.

What are the criteria for eligibility?

To be eligible, a company must have performed qualifying research and development in the development or improvement of a product or process. In addition, there must have been qualifying dollars spent for the project(s), unlike in grant programs which provide up-front funding. You may be eligible for a refund if:

Money for inventions is always the most difficult part of the process unless spectacular and people immediately see the potential of it. On the other are sleepers and then explode in value e.g. pet rocks and Trivial Pursuit, invested in these took some serious risks but the payoff payback well

Every country has this kind of... another.

EXPENDITURE	MAXIMUM AMOUNT RECOVERABLE		
	CANADIAN CONTROLLED PRIVATE CORPORATIONS	CANADIAN PUBLIC COMPANIES	CANADIAN PROPRIETORSHIPS, PARTNERSHIPS
LABOUR QUALIFIED DOLLARS	68.5%	33.0%	33.0%
MATERIAL QUALIFIED DOLLARS	41.5%	20.0%	20.0%
SUB-CONTRACT QUALIFIED DOLLARS	41.5%	20.0%	20.0%