

Claiming scientific research and experimental development tax credit made easier for small businesses

Ottawa, Ontario, November 17, 2008 . . . The Honourable Jean-Pierre Blackburn, Minister of National Revenue, announced today that the Canada Revenue Agency (CRA) is encouraging Canadian research by making it easier for businesses to apply for the scientific research and experimental development (SR&ED) tax credit. Minister Blackburn also launched the SR&ED Eligibility Self-Assessment Tool.

“By making it easier to apply for SR&ED tax credits, the CRA is supporting businesses that are key to the long-term growth of the Canadian economy, that are providing quality jobs, and that are helping Canada compete for international investment dollars,” said Minister Blackburn.

Garth Whyte, Executive Vice-President of the Canadian Federation of Independent Business (CFIB), which represents more than 105,000 small and medium-sized businesses across Canada, supports this announcement. “The CFIB is very pleased to see the SR&ED claim process simplified. For too long, many small businesses were not taking advantage of this important tax credit simply because it could be complicated and cumbersome. This is an excellent step in providing small businesses with new tools to invest in innovation,” said Mr. Whyte.

The Web-based eligibility self-assessment tool can help claimants see whether their research and development projects may qualify under the program, and is intended to increase the predictability of getting the tax credit for claimants.

The SR&ED program has also produced a CD-ROM, as well as a new brochure and leaflet, with valuable information for new and existing claimants.

Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*, and the accompanying guide for claiming the SR&ED tax credit have also been revised. They now have a more user friendly format for submitting project information. In addition, they have been reorganized for a more logical flow and to clarify the documentation needed to support an SR&ED claim. These revisions follow a commitment announced in the 2008 federal budget.

For more information, go to www.cra.gc.ca/sred, or call 1-800-959-5525.

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For media information:

Andrea Kent
613-995-2960

