

Tap into tax savings from your innovations

Innovation is critical for Canadian pharmaceutical and biotech companies' success. To offset some of the cost of innovation, the Canadian income tax rules offer generous incentives. To benefit from these incentives, companies must comply with various rules and deadlines. At KPMG, we can help.

Understanding the rules

The income tax incentives for innovation are part of the government's Scientific Research and Experimental Development (SR&ED) program.

Helping your company benefit

KPMG can help your company benefit from the SR&ED tax incentives by helping you to:

- Identify the full range of your eligible SR&ED activities
- Prepare the required technical reports
- Structure entities and transactions to enhance benefits
- Prepare the required tax forms to apply for the tax credits
- Appeal or amend rejected or reduced claims.

What costs are eligible for SR&ED benefits?

The SR&ED tax incentive rules allow the following costs to potentially be eligible for benefits:

- Salaries
- Contractor payments
- Materials
- Payments to universities and research organizations
- Capital assets purchased or leased
- Certain overheads.

Contact us

To find out more about how we can help your company, contact:

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Highlights

For every \$100 of Ontario salary related to eligible R&D activities, your company could be entitled to up to \$39 in tax credits or refunds. For small- and medium-sized Canadian controlled private companies, your company could be entitled to up to \$73 in tax credits or refunds.

In some cases, Quebec, British Columbia, Alberta, New Brunswick, Nova Scotia, Newfoundland, Saskatchewan and Manitoba offer additional benefits for R&D activity.



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