

# Fact Sheet



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## The Scientific Research and Experimental Development (SR&ED) Action Plan

### The SR&ED Program

The Scientific Research and Experimental Development (SR&ED) Program provides tax incentives to Canadian businesses that conduct SR&ED in Canada. The program is intended to encourage businesses to conduct SR&ED that will lead to new, improved, or technologically advanced products or processes. The Canada Customs and Revenue Agency (CCRA), which administers the SR&ED Program, receives more than 11,000 SR&ED tax credit claims per year, for about \$1.5 billion.


### The SR&ED Action Plan

In 1998, after listening to concerns expressed by industry representatives, the CCRA initiated work to improve its management and delivery of the SR&ED Program. The SR&ED Action Plan was the CCRA's direct response to recommendations made at a two-day SR&ED industry/government conference held in Vancouver in June 1998. The conference had been organized to facilitate industry's participation in improving the SR&ED Program and its administration.

### Elements of the SR&ED Action Plan

The key elements of the SR&ED Action Plan were:

- focusing the program on the needs of its clients;
- developing a true partnership and open and ongoing consultation between the CCRA and industry;
- improving communications to enhance industry understanding of the program and CCRA responsiveness to industry concerns;
- implementing timely and effective dispute resolution mechanisms;
- making the SR&ED Program more independent, and focusing on science, technology and incentives;
- establishing a steering committee to oversee implementation of the Action Plan;
- establishing sector-specific committees to clarify SR&ED issues and to develop interpretation guidelines;
- streamlining the review process; and
- implementing ongoing joint industry and CCRA training.



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