

General Manager
Business Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600

14 October 2009

To whom it may concern,

We are very concerned by the contents of the recent consultation paper regarding the R & D tax concession.

This company has undertaken extensive R & D in the recent past and would not be where it is today without that work. The support of Government through the R & D tax concession to help support that work, has been invaluable in assisting this company achieve its recent success.

If the proposals suggested in the consultation paper come into legislation it appears that Government support for R & D to our company will cease, or be significantly reduced. If this occurs this company will be unable to continue its level of commitment to R & D and such reduction can only lead to lower sales, lower profits and lower company taxable income.

We suggest the Government retain the base structures of the existing R & D tax concession with just the change to the tax incentive of 40% or 45% tax credit.

Yours Sincerely,

Gunnar Vikingur