



OECD INNOTAX PORTAL – A NEW AND INTERACTIVE TOOL TO EXPLORE AND COMPARE R&D TAX INCENTIVES

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The OECD INNOTAX portal



- **Single access point** to latest policy information, quantitative indicators and OECD analysis on R&D tax incentives
- Facilitate **policy discovery, comparison and analysis**, building upon and **extending the existing OECD research infrastructure** on R&D tax incentives (<https://oe.cd/rdtax>)

- Contributions of **OECD R&D tax incentives expert network** to OECD R&D tax incentives survey
- **(So far) expenditure-based R&D tax incentives, 2000-2022:** 104 tax incentive schemes (75 active in 2022) in 43 countries - reference year: 2022

- **Interactive dashboards** for key design features
- **Interactive statistical charts**
- **Sophisticated interactive tool with smart filtering for policy features**

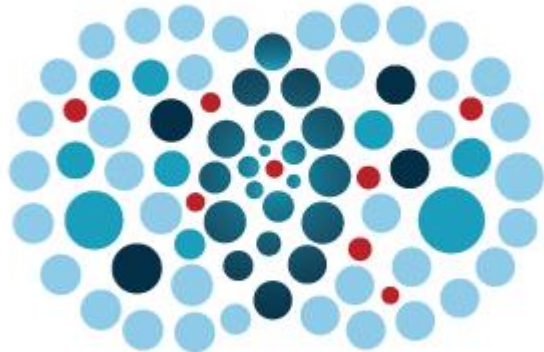


<https://stip.oecd.org/innotax/>





OECD INNOTAX portal – demonstrating use cases



Use case 1

Identify R&D tax incentives with specific design features (e.g. refundability for SMEs/start-ups).

Use case 2

Discover R&D tax incentives within one country (e.g. R&D premium in Austria).

Use case 3

Compare R&D tax incentives in two countries (e.g. France and Portugal)



Use case 1: Identify R&D tax incentives with specific design features



An official website of the OECD. Find out more

INNOTAX
Tax Incentives for R&D and innovation

About Countries Indicators and analysis Find incentives Compare incentives **0**

Monitoring Tax Support for R&D and innovation

Explore R&D tax incentives within one country
→ Explore a country

Review the latest indicators and OECD analysis on R&D tax incentives
→ Access indicators

Search and compare the design of R&D tax incentives
→ Select tax incentives

Country comparison widget

Denmark United States

Compare tax incentives

Design of R&D tax incentives at a glance

Tax instrument Definition of R&D for tax purposes Treatment of unused claims Limitations Administration Pre-approval Similarity

TAX INSTRUMENT: TYPE OF R&D TAX INCENTIVES AVAILABLE IN 2022

OECD and partner economies, 2022

Download dataset

R&D tax incentives can be provided in form of an allowance, exemption, deduction or credit. Tax allowances, exemptions and deductions effectively subtract from the tax base before the tax liability is computed, reducing the taxable amount before assessing the tax. Relief in the form a tax credit subtracts directly from the tax



Use case 2: Discover R&D tax incentives within one country



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Monitoring Tax Support for R&D and innovation

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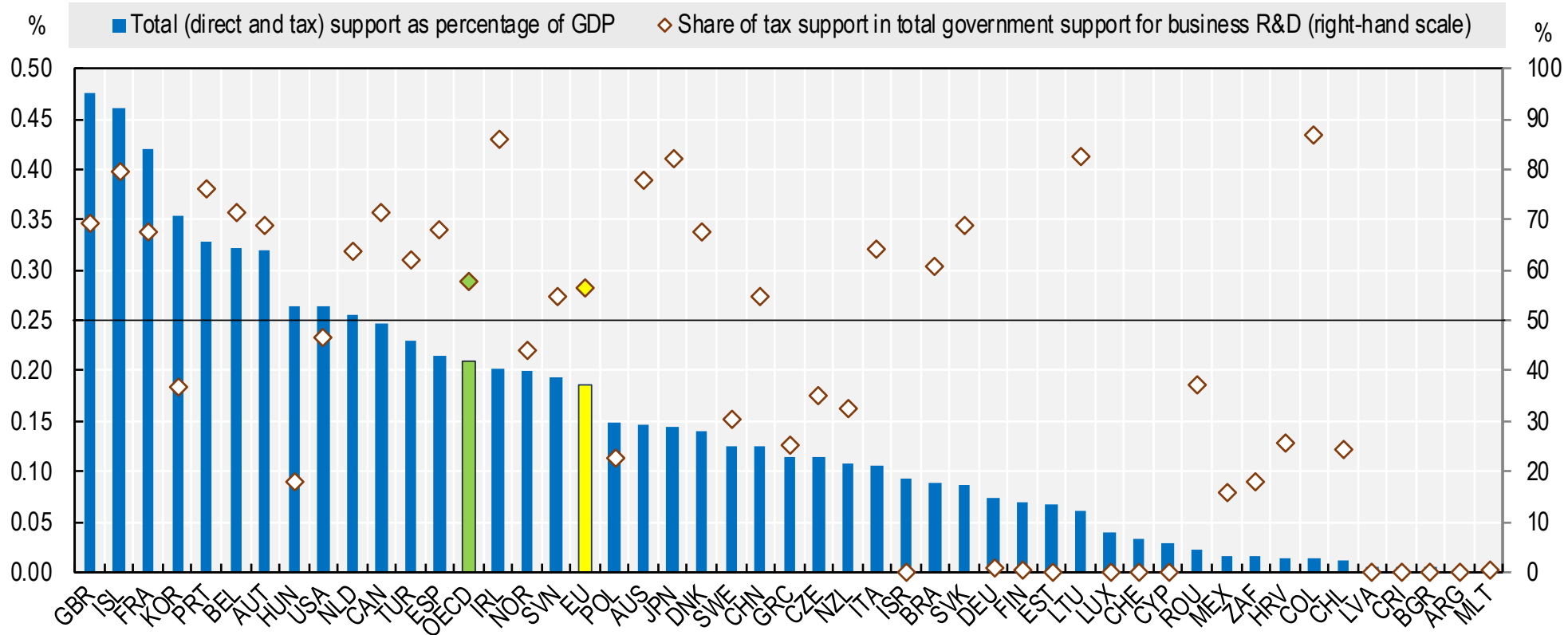


How do governments direct support for innovation?



OECD INNOTAX portal – latest indicators featuring in [2024 OECD MABIS policy brief](#)

Direct government funding and government tax support for business R&D, 2021 As a percentage of GDP



Policy Brief

How do governments direct support for innovation?

17 September 2024

Key messages

- Governments strive to find the appropriate level and balance of financial support for innovation to address competing and pressing policy objectives. Choices on the design of instruments, beneficiaries and support conditions aimed to support for innovation can be directed towards priorities. "Effectiveness" is however multifaceted and still not sufficiently well understood and measured.
- While calls for more diversification of innovation support are on the rise, OECD data show that when it comes to supporting business R&D, the majority of OECD and EU governments have historically relied on R&D tax incentives, especially fiscal instruments. Only the global financial crisis and COVID-19 pandemic levels raised their non-tax support. In OECD, R&D tax incentives accounted on average for close to 50% of total measured support for R&D in the OECD and EU areas.
- R&D tax incentives are effective in raising R&D, especially among small and medium-sized R&D performers. However, they are most effective at boosting investment towards incremental development than more fundamental, higher value-added knowledge, and which historically easier to administer, authorities must address potential fraud or misuse. Although tax incentives contribute to building and sustaining R&D capabilities, they are insufficient to direct innovation towards specific policy priority areas and address the global challenges today's economies are facing.
- Major measurement gaps persist in key areas that are critical for innovation systems to contribute to key transitions. Work in terms of increasing support for innovation activities other than R&D as well as support provided through indirect mechanisms, reflecting the sensitive nature of national support to business in today's competitive landscape. There is however much to be learned from a more comprehensive understanding of the outcomes of government support for business R&D and to impact to inform policy making in this area.

HOW DO GOVERNMENTS DIRECT SUPPORT FOR INNOVATION IN OECD AREAS

Source: OECD MABIS-RDTAX project. OECD R&D Tax Incentives Database, <http://oe.cd/rdtax>, July 2024.



Concluding remarks



- **INNOTAX** aims to make extensive and structured resources easily accessible for policy makers and analysts, researchers and other stakeholders – **User feedback welcomed!**
- **First MABIS2-RDTAX outputs**
 - 2024 edition of [OECD R&D tax incentives database](#), including statistical brief with the [Highlights from the April 2024 update](#)
 - Update (ongoing) of OECD INNOTAX portal – latest policy information
 - Web development (ongoing) - layout and technical enhancements
- **Future work**
 - Annual update of OECD R&D Tax incentives database and INNOTAX portal
 - Integration of income-based tax incentives for R&D&I (by Q2 2026)



THANK YOU!

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OECD disclaimer

- Footnote regarding the data for Israel in this presentation:
 - The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities or third party. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.
- Footnote regarding the data for Cyprus in this presentation:
 - Footnote by Türkiye: The information in this document with reference to “Cyprus” relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Türkiye shall preserve its position concerning the “Cyprus issue”.
 - Footnote by all the European Union Member States of the OECD and the European Union: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.