

Design issue/ Country	AT	BE	CY	CZ	DK	EE	FI	FR	DE	GR	HU	IE	IT	LV	LT	LU	MA	NL	PL	PT	SK	SI	SP	SE	UK	IS	NO	RO	TK	Total	
Overview																															
number of fiscal incentives for BRD (IBFD)	3	5	0	0	1	0	0	2	0	1	3	1	1	0	0	0	1	2	0	2	0	1	1	0	3					27	
number of fiscal measures for research (1st cycle)	3	3	0	0	3			4	0		9	6	7	3	4			2		1	0	0	3	2	4	4	1	4		63	
clear national fiscal incentives for BRD (IPTS)	3	3	0	0	1	0	0	2	0	0	1	1	1	0	0	0	1	2	0	1	0	1	1	0	3	0	1	0	1	23	
<i>(R&D as part of tax incentive for investment)</i>										1	1			1		1	1					1							1	[>5]	
<i>(immediate depreciation of capital R&D expenditures)</i>					1							1								1			1	1						[5]	
Eligible Type of R&D																															
research oriented/ partly stricter as Frascati definition		1			1			2			1							2												7	
development oriented/ towards market application	1	2											1							1			1				1			7	
ex ante R&D verification mechanisms	1	2			1			2			N	(N)	N					1		1		N	1		N	Y		1		>10	
incl. software		3						2				1						2					1		3					12	
preferential conditions for collaboration with PRO		1			1			1			1	1											1	1		1				8	
certain forms of subcontracted R&D included	1	N			1			1			N	(N)	1				1	2		1		1	1		3		1	1		15	
Types of R&D costs covered																															
current expenditures	3	3			1			2			1	1	1				1	2		1		1	1		3		1	1		23	
only research salaries		2																1													3
capital expenditures	2	1			N			2			1	1	N				1	N		1		1	1		N		1	1		13	
Target groups																															
general	3	2			N			1			1	1	1				1	2		1		1			2		1	1		18	
favourable conditions SMEs		1			1			1										1	1		1				2		1			8	
only SMEs								1										1							1					3	
favourable conditions young firms								2										2												4	
ceiling	N	2			1			2			1	1						2		1		N	1		N		1			12	
Tax regime chosen																															
corporate income	3	2			1			2			1	1	1				1			1		1	1		3		1	1		20	
personal income	3				1			1			1		1				1	1		1										10	
wages and/or social security		1						1									1	1												4	
Type of fiscal relief																															
tax credit	1	1						2				1						1		1		1			2		1	1		12	
tax allowance	2	2			1						1		1				1	1					1		3					13	
strictly volume-based	2	1						1			1						1	1				1	1		3			1		13	
non-incremental project-based		1			1													1									1			4	
incremental		1																												1	
combination of incremental and volume-based	1							1				1	1							1			1							6	
carry-forward	N	1			1			1			1	1	1				1	N		1		1	1		3		N		13		
cash refund if no tax position	1	N			N			1			N	N	N				1			N		N	N		2		1			6	

Notes: numbers refer to number of measures in the country which have the concerned feature; N=No (if country with clear incentive); BRD=Business R&D; PRO=Public Research Organisations

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Clear cut Incentives included	Tax allowance I and II, Research Bonus	Exemptions for additional researchers, investment deduction, incentives for collaboration with PROs				Deduction for collaborative research		R&D Tax credit, Young innovative firms			RTD tax allowance	RTD tax credit	Techno-Tremonti				Special R&D tax allowance as part of Business Promotion Act (since 2005)	WBSO A and B		SIFIDE - System of fiscal incentives for business R&D (reintroduced 2005)		Investment in R&D (since 2005)	Expenditures for R&D		R&D tax credits\ for SME, for large companies, vor vaccine research				R&D Tax exemption (since 2005)	

*Situation as of December 2004 (September 2005 where available)
Sources: Expert Group on Fiscal Measures for Research (2004), IBFD (2004), European TrendChart for Innovation (2005)
personal communications from members of the 2nd cycle CREST group on fiscal measures*