**Funding For Innovative Companies**

There is a special company status known as “Early Stage Innovation Company” to assist “young companies” to raise capital direct from the public.

This government initiative is expected to be celebrated many times in the next 12 months as companies, which have been undertaking research activities, seek to raise capital to facilitate the commercialisation of their invention.

The “Early Stage Innovation Company” legislation offers significant taxation benefits to investors.

Investors receive a tax rebate of 20% of their investment in the company to a maximum of $200,000 for a sophisticated investor or $10,000 for a retail investor & if the investor has owned the shares for longer than 12 months & less than 10 years, there is no capital gains tax.

Companies which could be eligible for this status will be under 3 years of age, turnover less than $200,000 & expenditure less than $1,000,000 in the previous 12 months & will have been involved in the development of a new product, process, service, marketing or organisational system.

If you would like to have a discussion, please contact peter@towersbusiness.com.au, telephone 1800 232 088 or visit our website [www.towersbusiness.com.au](http://www.towersbusiness.com.au).