



Securing Your R&D Refunds.

CRA Announces Changes to the SR&ED Program Filing Requirements

In November 2008, the CRA announced significant changes to the SR&ED filing requirements that will come into effect for the January 31st, 2009 fiscal year end. The specific tax form associated with SR&ED called Form T661 will now cover explicit details on all projects worked on in the form of specific questions and check boxes. Previous information that normally was overlooked must now be included within the Form T661. The following lists the specific changes:

- There is no stand alone technical report as now this will be incorporated within the Form T661.
- Each project will be classified by one of 175 different codes listed in the Form T661 grouped within four major fields: Natural and Formal Sciences, Engineering and Technology, Medical and Health Sciences, and Agricultural Sciences.
- There will be a strict word limit of 1400 words within the technical report per project. Half of the report must be based on the systematic investigation which has a word limit of 700 words. Furthermore, there are no provisions within the T661 for diagrams, charts or photographs.
- For purposes of pre-screening criteria, the CRA will require the names of three key employees whose wages are claimed in the project including their academic qualifications.
- Again, for purposes of pre-screening, the new T661 includes a section specifically devoted to indicating what kind of evidence is available to substantiate the claim.

The result of these changes appears to be a narrower focus on eligible projects in conjunction with a stricter requirement for supporting documentation to substantiate your claims. Furthermore, the claimant will have to succinctly communicate SR&ED project details to consultants to ensure all areas of the form are filled out accurately.

To prepare for such changes, OME Group will be contacting all our clients to inform them of these changes and how it will affect them. In addition, starting in January 2009, OME Group will be conducting presentations to all of our clients so that everyone is aware of the new procedures and implement a tracking system if necessary. If you are interested in more information, please feel free to contact us. Further details can be found on the CRA website by clicking [here](#).