

# Outline of Research and Development Partnerships

- A research and development partnership is a corporation for joint testing and research among companies, universities and incorporated administrative agencies, and is established upon the authorization of the competent minister under the Research and Development Partnership Act.

- Major characteristics of the corporation are that: [i] operating capital paid by members of the partnership is reported as expenses; [ii] 20% of the operating capital provided is eligible for tax credit under the R&D tax system; [iii] the partnership has legal personality; [iv] the partnership is approved by the competent minister; [v] facilities that the partnership has purchased with operating capital are eligible for advanced depreciation under the tax system; and [vi] the partnership is allowed to be smoothly transferred to a stock company.

