

## Capital Allowance Service

### What are capital allowances?

Capital allowances are a form of tax-approved depreciation that allow you to reduce your tax bill by claiming tax relief on qualifying capital costs.

Some examples of capital costs may include:

- Installation of new kitchens, bathrooms, central heating etc
- Construction of property
- Property fit-out
- Machinery.

### What is our capital allowance service?

Through conversations, site visits and expenditure reviews, we work with you to help identify costs that can qualify for capital allowances – thereby reducing your tax bill.

### How can our capital allowance service benefit you?

Capital allowances are a complex area of taxation. A tax specialist can help in the following ways:

- Potential to identify eligible expenditure that would otherwise have received no tax relief – known as non-qualifying
- Potential to identify expenditure that would receive 100% tax relief
- Providing support to help ensure your capital allowance claim is robust in the event of an HMRC enquiry, reducing the likelihood of mistakes and/or fines
- A high standard of service – we are regulated by the Institute of Chartered Accountants in England and Wales.

### Next steps - Get in touch for a chat with our team.

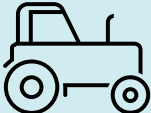

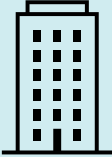

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# Recent projects

Client A	Client B	Client C	Client D
<b>Construction of an agricultural machinery sales building</b>	<b>Conversion of farm barns to offices, furnished holiday lets &amp; residential properties</b>	<b>Renovation of commercial offices</b>	<b>Construction of a convenience store, petrol forecourt, restaurant, hair salon and offices</b>
<b>Key highlight:</b> It is estimated that this client won't pay Corporation Tax for the next three years.	<b>Key highlight:</b> Rural client – the service benefits multiple business types. Farming client diversifying their operations.	<b>Key highlight:</b> 71% of project expenditure qualified for immediate tax relief.	<b>Key highlight:</b> No Corporation Tax liability for the two periods in which construction occurred.
<b>Client type:</b> A company with an investment property.	<b>Client type:</b> A farming partnership.	<b>Client type:</b> A holding company of a trading entity.	<b>Client type:</b> Owner-managed trading company.
<ul style="list-style-type: none"><li>• Project expenditure: £2m</li><li>• <b>Immediate tax deduction: £426k*</b></li><li>• Cash saving: £81k (19%) to £107k (25%).</li></ul>	<ul style="list-style-type: none"><li>• Project expenditure: £2.1m</li><li>• <b>Immediate tax deduction: £533k*</b></li><li>• Cash saving: £107k (20%) to £213k (40%).</li></ul>	<ul style="list-style-type: none"><li>• Project expenditure: £256k</li><li>• <b>Immediate tax deduction: £183k*</b></li><li>• Cash saving: £35k (19%) to £46k (25%).</li></ul>	<ul style="list-style-type: none"><li>• Project expenditure: £5m</li><li>• <b>Immediate tax deduction: £2.4m*</b></li><li>• Cash saving: £456k (19%) to £600k (25%).</li></ul>
			

\* All figures are rounded and the immediate tax deduction excludes Structures and Buildings Allowances

