



Capital Allowances

CASE STUDY

Capital allowances can be claimed by businesses and companies as a way of reducing their taxable profits.

Most businesses will buy assets for use in their business. Most of these assets lose value as they are used and as such from an accounting perspective these are “depreciated”.

The depreciation charge is an expense in the business’ profit and loss account. However, businesses cannot claim tax relief for the depreciation of the assets they use in the business because these are capital in nature.

This issue is overcome by the use of capital allowances which allows for a prescribed amount to be deducted against their annual taxable profits.

Our team can put your mind at ease through assisting you with the following areas:

- Preparing and reviewing your capital allowances computations
- Ensuring that capital allowances are claimed in the most efficient way
- Optimisation of the Annual Investment Allowance
- Highlighting elections and ways of optimising capital allowances claims

How we can help

Our dedicated team work alongside our clients and their accounts staff to understand what has been purchased and what the business purpose of the expenditure is.

So why not see if our team can help you with:

- Maintaining your asset pools
- Utilising the Annual Investment Allowance
- Identifying assets qualifying for enhanced deductions
- Additional considerations for R&D qualifying assets
- The new super deduction
- Group considerations
- Split periods
- HMRC investigations

Why not speak to one of the team to see whether you have maximised your capital allowances claim as we can even re-submit a prior year return, which in some circumstances can generate a repayment.

Benefits of outsourcing your Capital Allowances computations

Our tax team have extensive experience and expertise in preparing and reviewing capital allowance claims for a number of clients. Why not ask them to do the same for you, this will free up your time to focus on developing your business.

The team can help you in a number of ways, including ensuring that claims are made in the most tax efficient way for your business.

How we have helped our clients

An audit client had completed an extensive redevelopment of a new site, re-furbishing a warehouse and buying new equipment totalling more than £700,000. Through our expertise and working with our client's accounts team we were able to claim capital allowances on 87 per cent of total expenditure.

Get in touch If you would like a FREE no obligation consultation, meeting or have any questions on our Business Tax Services, please contact us on **01494 552 100** or email us at enquiries@stca.co.uk Meetings and consultations can be held virtually.

stca.co.uk

in f   

This case study is for guidance only, professional advice should be obtained before acting on any information contained herein. Seymour Taylor cannot accept any responsibility for loss occasioned to any person as a result of action taken or refrained from in consequence of the content of this case study.

A member of
mgiworldwide

IN ASSOCIATION WITH

HAMPDEN