

Despite being in existence for nearly 60 years, this little known allowance has only really become valuable in the last decade, due to the fact that it's based on the purchase price of a building. These prices have of course soared in that time and properties are therefore changing hands at a much higher value.

However, as this allowance remains in a knowledge shadow, only 4% of UK commercial properties have made the claim, and therefore 96% of property owners have huge sums of money resting within the HMRC awaiting claim.

Accountants are largely unable to make the claim for a client as specific and expensive HMRC licences must be held by HMRC approved companies. In addition to this, each and every property must be rigorously surveyed as to be presented in a specific HMRC format. Again, accountants are unable to do this.

We could help

We're working closely with a fully HMRC approved company who are property tax specialists. They will work with your accountant – they are not there to replace them – and will establish whether you are in the 96% who have a legitimate and substantial claim to make. **Typically, 25% of the purchase price is found in claimable allowances.**

So, how does it work and what can be claimed for?

There is an **HMRC set criteria** for the allowance to become payable. It's simple, and an estimated 2 million properties qualify:

- Is the property classified as commercial?
- Was the purchase price in excess of £150,000?
- Is the owner a UK taxpayer?
- Is the property owned by an individual or a limited company?

If the answers to the above criteria are 'yes', then it's likely that you have a significant and legitimate claim to make.

Offices, shops, nursing homes, warehouses, in fact any commercial property can qualify.

In addition, UK and European Furnished Holiday Let properties currently qualify, but the opportunity to claim will not be available in a few years time. Please ask for further information on this service.

Hundreds of items can be claimed for, within the 'intrinsic fabric' of the building, right down to the kitchen sink! **Approximately 25% of the purchase price of the property is normally found in claimable capital allowances.**

Example:

For an office purchased for £500,000, there would typically be £125,000 of allowances or 'costs', which can be offset against corporation tax or income tax.

If the building was owned by a limited company, the owner would save 21% corporation tax, which equates to a saving of **£26,250**.

If the building was owned privately by a higher rate tax payer, there would be a saving of **£50,000**.

How are the allowances applied for?

Each claim must be submitted by a fully HMRC approved company: **an accountant is unable to process this specialist allowance.** So far, 100% of the cases submitted by our partner company within the last 5 years have been accepted and rubber-stamped due to their experience, expertise and trusted relationship with the HMRC.

Each property is surveyed and a report is compiled: a copy of which is sent to the client's accountant for 'signing off'. Once the allowances are identified, it is down to the accountant to decide how best to use them.

In simple terms, **a bank of costs is found, which the owner can use to offset their taxable income.**

In a nutshell, here's the process:

1. A telephone or face-to-face meeting with the client takes place to establish if a claim is valid
2. If a claim appears valid, then the client signs an 'instruction form' allowing the property tax specialists to talk to their accountant and gather the property data
3. The property is then surveyed in detail, sometimes by taking up to 400 photos, as the report must meet HMRC methods and standards
4. When the allowances have been identified and the report completed (2 weeks) the report is sent to both the client and their accountant for 'sign off'

The beauty of this capital allowance claim is that due to the licences held by the property tax specialists, this allows them to use the internal HMRC matrix. This means that reports are normally rubber stamped without delay, as they are submitted via a pre-approved method.

Fees

The fees charged for this service is 6% of the Capital Allowances claimable. In addition, a survey fee is payable: £750 for properties worth up to £10m; and from £1,000 for properties over £10m.

The survey fee is **not payable** until your accountant signs off the report. The 6% savings related fee is also **not payable** until signed off by the accountant.

Therefore, there are no upfront fees **and** if £25,000 worth of allowances are not found, **and** if the accountant does not sign it off, then there is absolutely no fee to pay.

If you are interested, please contact us so that we can make the necessary introduction.

LOAN RESOLUTIONS

0845 224 7098

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This service is not regulated by the Financial Services Authority

Estimator for UK based Commercial Property

Property Purchase Price	Allowance Available 25%	Figures for property owned by Limited Company				Figures for property owned by Sole Trader/Partnership			
		Ltd Company 21%	Client Fee (Ltd. company) 5%	Total Client Fee (Ltd. company) including survey fee	Total benefit available to Ltd. Company (21%)	Sole Trader/ Partnership 40%	Client Fee (Privately owned) 6%	Total Client Fee (Privately owned) including survey fee	Total benefit available to Sole Trader/Partnership (40%)
£150,000	£37,500	£7,875	£1,875	£2,625	£5,250	£15,000	£2,250	£3,000	£12,000
£200,000	£50,000	£10,500	£2,500	£3,250	£7,250	£20,000	£3,000	£3,750	£16,250
£250,000	£62,500	£13,125	£3,125	£3,875	£9,250	£25,000	£3,750	£4,500	£20,500
£300,000	£75,000	£15,750	£3,750	£4,500	£11,250	£30,000	£4,500	£5,250	£24,750
£350,000	£87,500	£18,375	£4,375	£5,125	£13,250	£35,000	£5,250	£6,000	£29,000
£400,000	£100,000	£21,000	£5,000	£5,750	£15,250	£40,000	£6,000	£6,750	£33,250
£450,000	£112,500	£23,625	£5,625	£6,375	£17,250	£45,000	£6,750	£7,500	£37,500
£500,000	£125,000	£26,250	£6,250	£7,000	£19,250	£50,000	£7,500	£8,250	£41,750
£550,000	£137,500	£28,875	£6,875	£7,625	£21,250	£55,000	£8,250	£9,000	£46,000
£600,000	£150,000	£31,500	£7,500	£8,250	£23,250	£60,000	£9,000	£9,750	£50,250
£650,000	£162,500	£34,125	£8,125	£8,875	£25,250	£65,000	£9,750	£10,500	£54,500
£700,000	£175,000	£36,750	£8,750	£9,500	£27,250	£70,000	£10,500	£11,250	£58,750
£750,000	£187,500	£39,375	£9,375	£10,125	£29,250	£75,000	£11,250	£12,000	£63,000
£800,000	£200,000	£42,000	£10,000	£10,750	£31,250	£80,000	£12,000	£12,750	£67,250
£850,000	£212,500	£44,625	£10,625	£11,375	£33,250	£85,000	£12,750	£13,500	£71,500
£900,000	£225,000	£47,250	£11,250	£12,000	£35,250	£90,000	£13,500	£14,250	£75,750
£950,000	£237,500	£49,875	£11,875	£12,625	£37,250	£95,000	£14,250	£15,000	£80,000
£1,000,000	£250,000	£52,500	£12,500	£13,250	£39,250	£100,000	£15,000	£15,750	£84,250
£5,000,000	£1,250,000	£262,500	£62,500	£63,250	£199,250	£500,000	£75,000	£75,750	£424,250
£10,000,000	£2,500,000	£525,000	£125,000	£126,000	£399,000	£1,000,000	£150,000	£151,000	£849,000
£25,000,000	£6,250,000	£1,312,500	£312,500	£313,500	£999,000	£2,500,000	£375,000	£376,000	£2,124,000
£50,000,000	£12,500,000	£2,625,000	£625,000	£626,000	£1,999,000	£5,000,000	£750,000	£751,000	£4,249,000
£75,000,000	£18,750,000	£3,937,500	£937,500	£938,500	£2,999,000	£7,500,000	£1,125,000	£1,126,000	£6,374,000
£100,000,000	£25,000,000	£5,250,000	£1,250,000	£1,251,000	£3,999,000	£10,000,000	£1,500,000	£1,501,000	£8,499,000

	<p>↑</p> <p>25% is typical. Amounts can vary. The majority of this is written down over 5 years</p>	<p>↑</p> <p>Real saving on company corporation tax if the property is owned by a LTD company</p>	<p>↑</p> <p>Fee based on 5% of the capital allowances claimable</p>	<p>↑</p> <p>Survey fee not payable until a claim has been established</p>	<p>↑</p> <p>Real saving on private income tax if the property is owned by an individual</p>	<p>↑</p> <p>Fee based on 6% of the capital allowances claimable</p>	<p>↑</p> <p>Survey fee not payable until a claim has been established</p>
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Figures quoted are an estimation only. This document is non contractual and for presentation purposes only