

# PROVIDING ASSISTANCE

## To Developers



Property developers do not claim capital allowances on property that they hold as trading stock going through the profit and loss account. They can however benefit from 150% Land Remediation Relief and on expenditure incurred on qualifying remediation costs and 150% Derelict Land Relief on the costs of removing barriers to development on derelict land.

Although developers holding property as trading stock do not directly benefit from capital allowances, it is nevertheless important to remember that unclaimed tax relief can add value when they dispose of the property and should therefore be incorporated within the developer's exit strategy.

A developer will can generate added value through awareness of the capital allowances, land remediation and derelict land relief regimes. A tax efficient approach to development can provide you with the means to increase the market value of your development when it is sold.

**Access to specialist property tax advice could help to overcome some of the project's budget constraints**

A capital allowances consultant can provide assistance to a developer by:

- Advising whether the development delivery vehicle has the correct corporate structure to facilitate a claim for 150% land remediation relief and derelict land relief.
- Helping you to incorporate tax saving opportunities into the design brief making the project tax efficient for a purchaser of the property.
- Raising awareness of the benefit that a purchaser can obtain in the form of Enhanced Capital Allowances. This will mean ensuring that the correct equipment is installed, certifications provided and that the building is new and unused when the property is sold.
- Providing ongoing advice in relation to the tax implications of any variations or value engineering.
- Helping you to identify areas where the tax efficiency of the project can be improved.
- Allowing you to provide clarity to contractors, subcontractors and suppliers as to what is required to maximise tax savings by providing caused for the building contract.
- Advising on the potential allowances available to a purchaser by providing a capital allowances sales aid in advance of the sale of the property.

At Cavetta Consulting our directors have considerable experience advising property developers on all capital allowances implications that impact their business. Our fee structure is tailored to take account for the tax status of the individual or business and is designed to add value to their business.

We offer free advice to clients at the pre-planning stage of their development to make them aware of the benefits that the tax system offers.

If you would like to further information, please contact either Lois or Alan. Alternatively you can email us at [info@cavettaconsulting.com](mailto:info@cavettaconsulting.com).



**In the desire to generate income from a new business, valuable property tax relief is often forgotten about and left unclaimed**



**Edinburgh Office**  
Lois Stirling  
0131 610 0056



**Glasgow Office**  
Alan Cadden  
0131 432 0056