Key Advice

CAVETTA CONSULTING
Unlocking Capital Allowances

Small Business

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UNLOCKING PROPERTY TAX RELIEF - RESTAURANTS

Key Success

Considering capital allowances early can potentially increase your available allowances by 5-10%

As a restaurant owner you may incur significant capital expenditure in opening your premises. In growing your business and generating new customers, your immediate priorities will be getting the product, setting, atmosphere, advertising and supply chain correct. However, in the desire to generate income from your business, valuable property tax relief is often forgotten about and left unclaimed.

Tax relief in the form of Capital Allowances is available to businesses incurring capital expenditure on purchasing, refurbishing or fitting out their premises. A number of items normally fitted to a restaurant are eligible for relief. Typical items include: tables, chairs, blinds, catering equipment, ambient features, kitchen facilities, sanitary fittings, hot water boilers, signage, fire alarms, lighting, and heating.

Whether the property is leased or purchased, the property may contain some fixtures and fittings, however it is common that the new owner replaces these as part of the fit out. Although, if these are not replaced, the tax relief associated with these assets is sometimes missed.

Your accountant will have a great deal of experience of claiming capital allowances on items which are within the fixed asset register. However, where a property is purchased, refurbished or fitted out, a specialist survey is often required in order to identify and correctly value tax deductible items which are inherent in the property or contained within your contractor's tender document. We work together with your accountant to help you maximise tax relief which you are entitled to.

Our processes look to enhance the level of capital allowances that may have already been claimed by your accountant. This normally relates to lump sum contractor stage payments for fit out or extension projects, to help identify items that are not easily identified within the invoices and sit within Land & Buildings on the Balance Sheet. Here, our survey and processes create the required information to maximise your Capital Allowances.

Cavetta Consulting can assist your business to maximise your tax relief and improve cash flow in a number of ways including:

- Helpline advice — being able to provide you with access to specialist advice on various capital allowances matters which will enhance the service you provide.
- Providing assistance in negotiations with HMRC, particularly when they are questioning valuation techniques and matters relating to the construction of the building.
- Essential preplanning advice which can help clients to maximise their tax saving or make their project viable.
- Providing you with tailored continual professional development events which will allow you to keep up to date with industry developments.

At Cavetta Consulting, our directors have considerable experience advising landlords on all capital allowances implications that may impact their business. Working together we can help clients achieve and maximise the following tax reliefs:

- 150% Land Remediation Relief (for companies)
- 100% Repairs and Maintenance
- 100% Full Expensing - until March 2026
- 100% Annual Investment Allowance
- 6/18% Plant and Machinery Allowance
- 3% Structures and Buildings Allowances

Our fee structure is tailored to take account of the tax status of the individual or company and is designed to add value to their business.

We offer free advice to our clients at the pre-planning stage of their development, to make them aware of the benefits that the tax system offers, and no obligation review of completed or potential schemes in order to determine whether a viable claim for property tax relief can be made. And we never under take a valuation if your accountant could make the claim or we can't add value.

If you would like to find out what tax savings you could achieve contact us at:

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This briefing is intended to provide an introductory outline to certain aspects of the UK Capital Allowances regime. It should not be used instead of obtaining proper professional advice. The outline is for guidance only and is not an appropriate basis for decision-making.