UNLOCKING THE BOTTOM LINE

ISSUE TWO | NOV 2023

Contents

1 Introduction

2 Budget Announcements

3 What Are Structures and Buildings Allowances?

4 Tax Deadlines

5 Case study of the Month

Reviews

Whoop Whoop! Eddie Lamont gave us a 5-star shoutout for our top-notch services! Check out the video right here and see what all the buzz is about!

What The Chancellor Had to Say And The End of Tax Year Is Approaching

ANY CHANGES?

Greetings!

The calendar year is winding down and the end of the tax year is quickly approaching. This month we're taking a look at the Chancellor of the Exchequer's Autumn Statement for 2023 and how it affects those with property portfolios.

Despite the UK economy's precarious state, Jeremy Hunt, the Chancellor, offered a mostly business-friendly proposal with measures aimed at boosting economic growth and innovation. However, with the General Election on the horizon and inflation stabilizing, the Autumn Statement 2023 may have mixed effects on the finance and business sectors.

Generally, the Autumn statement was seen as a positive step forward for the UK economy, with many experts praising the government's commitment especially in relation to the AI industry.

For property investors, the government has announced that "Full Expensing" will be permanent. This will have a positive impact on the property market and those with property portfolios. But It is still important for investors to stay informed and seek professional advice to ensure they are making the most of the opportunities available to them, while navigating any potential tax challenges.

Also, as the end of the tax year is fast approaching now is the time to review any expenditure to ensure all capital allowances are claimed and your tax relief is maximised.

If you would like to know more about us and the capital allowances claim process download our brochure here

Thank you for your continued support.

www.cavettaconsulting.co.uk

Lois and Alan

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.

UNLOCKING THE BOTTOM LINE

Budget 2023 News

The UK's Autumn Statement has some serious implications for the finance and ecommerce sectors.

The Autumn Budget 2023 promised significant changes in investment and financial landscapes, with it being the last one before a general election. Our team has analysed and decoded the details, particularly regarding the anticipated impact on capital allowances.

The Autumn Budget has brought forth few changes to Capital Allowances but we wait to see how Investment Zones will be beneficial. Hopefully, the merged R&D scheme will see the scheme easier to operate and any further changes are minimal giving the updated R&D scheme time to embed!

For more information on Budget Announcements and how they can increase download our **Guide to the Autumn 2023**

Have You Maximised Your Allowances

The end of the tax year is fast approaching and now is the time to review any expenditure to ensure all capital allowances are claimed and your tax relief is maximised. This includes items such as office equipment, vehicles, but also property purchases and improvements. By reviewing your expenses before the tax year ends, you can identify any items that may have been overlooked and claim the appropriate capital allowances. This can result in significant tax savings for your business.

Don't wait until the last minute to review your expenses - start now to ensure that your tax bill is as low as possible. **Download our brochure** to find out more about the benefits of claiming capital allowances here

What Are Structures and Buildings Allowances?

On the 29th October 2018, the Government announced The new Structures and Buildings Allowances (SBA) regime. Stating the new clauses will be inserted into the Capital Allowances Act 2001 at section 270.

This new allowance provides tax relief against the cost of building structural make up, not the plant and machinery but the roof, ceiling, walls and floors etc. However, it is only given a flat rate of 3% as opposed to up to 100% for plant and machinery.

For more information on SBAs and how they can improve your cash flow, download our

Guide to Structures and Buildings Allowances.

Capital Allowances Case Update

Gunfleet Sands Ltd v HMRC

Last year a capital allowances case arose around an aspect of the capital allowances legislation relating to Section 11 Capital Allowances Act 2001 (CAA 2001). The initial decisions were appealed with the final Upper Tribunal findings published in October 23.

The case tackles a complex area of capital allowances legislation, what can be classified as "Qualifying Expenditure On the **Provision** of Plant.

For more information on case and how it can impact you capital allowances claim, download our **Guide to the Case**

Case Study Of The Month

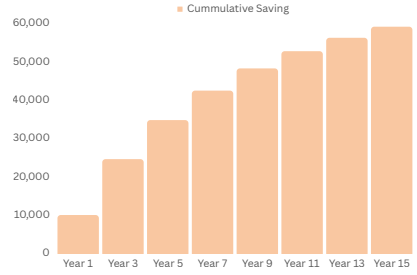
Construction of Furnished Holiday Let Accommodation

Are you aware that tax relief is available on your holiday rental through capital allowances, with between 15-20% of the purchase price qualifying for relief. This case study highlights the tax savings one of our clients achieved on their property.

In 2018, the McAlpine family completed their exciting project to build eight luxury self catering lodges, ideally situated on a secluded site, a short distance from the thriving seaside town of Stonehaven. The family wanted their guests to share the stunning views which the lodges enjoy from their elevated position above the picturesque bay and the expansive views seaward towards the bustling harbour and Dunnottar Castle. Our expert team was able to find circa £400,000 of allowances after reviewing the cost information available.

Download The Study Here

Purchase Date 2018
Purchase Cost ..... Circa £1,600,000
Capital Allowances 25%
Tax Saving Achieved ..... Circa £76,500



CAVETTA CONSULTING
Unlocking Capital Allowances

info@cavettaconsulting.co.uk

www.cavettaconsulting.co.uk