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Capital Allowances

Case studies – uplifting previous claims

Case study 1 – Acquisition of refurbished Grade II listed office building in Central London

Our client acquired an iconic Grade II listed office building in Central London. The vendor had refurbished the property and subsequently sold it to our client.

Whilst an analysis had previously been carried out for our client by a capital allowances advisor at one of the surveying firms (and had also been reviewed by another Big 4 firm), we believed that there were opportunities to identify additional tax relief. Deloitte were appointed to revisit the position and our work resulted in an uplift of 37% on the original claim, delivering further cash tax savings to our client of c.£1.7 million.

With details of the previous refurbishment, we identified additional assets that, in our experience, were routinely accepted by HMRC as qualifying for relief. We were also able to attribute other eligible expenditure that had previously been left out of account. Owing to our client's particular circumstances, he was keen for us to approach HMRC to discuss our work. HMRC agreed our claim swiftly and without any disallowance.



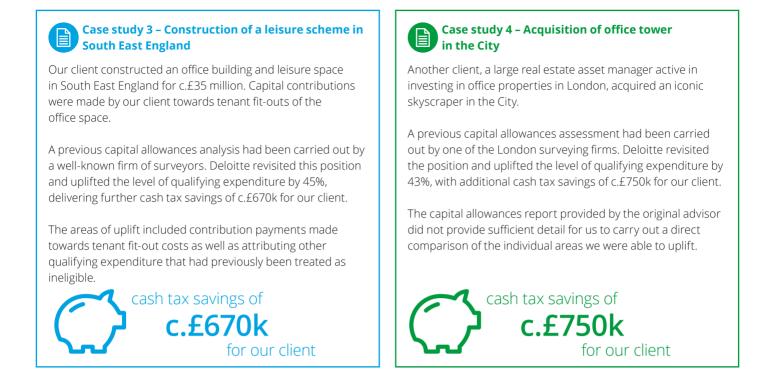


Our client carried out a redevelopment of a 5-star luxury hotel in London. The works involved the renovation and conversion of an existing office building into a 300+-bedroom hotel and spa.

An earlier capital allowances analysis had been carried out for our client by a well-known firm of surveyors. Deloitte revisited the existing claim and our work uplifted the amount of qualifying expenditure by 21%, delivering further cash tax savings of c.£3.1 million for our client.

The main areas of uplift involved a significant increase in the expenditure qualifying for capitalised revenue deductions together with increases in the amount of expenditure qualifying for the main and special rate allowances.





These examples help to demonstrate that we are able to find value for our clients in a variety of different ways, depending on the circumstances and history to their transactions and property activity. We undertake a great deal of work for clients in revisiting their prior capital allowances positions and in almost every case, we are able to identify additional value. We are, by some margin, the largest advisor in capital allowances in the UK with a team of over 50 full-time specialists and we are different to our competitors as we are a truly tax-led practice with construction, estimating and surveying knowledge and experience.



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