



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.



cash tax savings of
c.£1.7 million



Case study 2 – Redevelopment of a hotel in London

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.



cash tax savings of
c.£3.1 million



Case study 3 – Construction of a leisure scheme in South East England

Our client constructed an office building and leisure space in South East England for c.£35 million. Capital contributions were made by our client towards tenant fit-outs of the office space.

A previous capital allowances analysis had been carried out by a well-known firm of surveyors. Deloitte revisited this position and uplifted the level of qualifying expenditure by 45%, delivering further cash tax savings of c.£670k for our client.

The areas of uplift included contribution payments made towards tenant fit-out costs as well as attributing other qualifying expenditure that had previously been treated as ineligible.



cash tax savings of
c.£670k
for our client



Case study 4 – Acquisition of office tower in the City

Another client, a large real estate asset manager active in investing in office properties in London, acquired an iconic skyscraper in the City.

A previous capital allowances assessment had been carried out by one of the London surveying firms. Deloitte revisited the position and uplifted the level of qualifying expenditure by 43%, with additional cash tax savings of c.£750k for our client.

The capital allowances report provided by the original advisor did not provide sufficient detail for us to carry out a direct comparison of the individual areas we were able to uplift.



cash tax savings of
c.£750k
for our client

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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