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Staffordshire Evening Sentinel
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Firms fail to claim tax allowances on commercial property 99% of firms could be missing out on millions



TAX CLAIM: Anson House in Great Haywood, received a substantial payment after working with DPC, and right, Paul Roberts, left, and Chris Kane, directors at DPC. Picture: Dave Ranko

BY DAVID ELKS
DEPUTY BUSINESS EDITOR

BUSINESSES in North Staffordshire could be missing out on millions of pounds of tax allowances not being claimed on commercial property investments.

Stoke-based accountant DPC has conducted research showing up to 99 per cent of firms in the area are not claiming the full allowances, which can run into tens and even hundreds of thousands of pounds.

Accountants believe this is because the law relating to the allowances is complex. The process of making claims also involves a survey of the property.

Capital Allowances are in effect tax relief against trading profits for investment in plant or machinery — and includes a substantial proportion of the cost of the property.

Now the North Staffordshire Chamber of Commerce and Industry is organising an information seminar for businesses to find out more about entitlements.

Paul Roberts, who heads DPC Property Tax Services, said: "Many business people are either unaware of Capital Allowances or their accountant can genuinely but wrongly believe that they have claimed everything available.

"Accountants would generally do everything from a paper trail whereas

we start the process with a survey of the property itself.

It is not always realised the depth of detail that can be involved in calculating the full Capital Allowance claim. This element of tax law is extremely complicated and has changed frequently."

DPC Property Tax Services has already helped a number of clients to make retrospective claims for Capital Allowances that had not been credited to them in previous tax years.

Most of the claims have amounted to six figures — such as the owner of a North Staffordshire nursing home which had a property value of about £1 million. In this case the client unlocked a capital allowance claim of £308,000.

Another nursing home, Anson House in Great Haywood, near Stafford also scooped a "substantial" payment after working with DPC.

Owner Keith Smith signed up with the group after visiting a seminar where the topic of unclaimed capital allowances was discussed.

Mr Smith, who is treasurer of the Staffordshire Association of Registered Care Homes, explained how DPC brought in surveyors who thoroughly checked the property for items on which claims could be made.

He said: "I initially thought it was too good to be true, but after the claim went into the Inland Revenue we had a cheque within a week or so."



Accountants say the means of claiming capital tax allowances is not new, although admitted not all companies claimed everything to which they are entitled.

Baker Tilly's office in Festival Park also provides the service but noted that the claims process required a survey.

James White, tax partner at Baker Tilly's office, said: "There will be companies out there which have not claimed their full allowance. For hotels and other companies where there is a high cost in installing equipment such as lifts and air conditioning. You could be looking at an allowance of up to 50 per cent, and sometimes more, if the tax has not already been claimed."

Mark Brommar, membership services manager at the North Staffordshire Chamber of Commerce and Industry, confirmed that a seminar was being organised to inform companies about the changes, although no date has yet been made.

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