



# FULLY EXPENSING VS LEASING

Businesses investing in qualifying assets can now benefit from 100% first year capital allowances. This means you can deduct 100% of the value of the qualifying part of your project from profits, in the year that you acquire the assets, rather than over the next few years.

## However...

This allowance is **only** valid for qualifying assets ie assets that would normally attract a capital allowance. This can be difficult to ascertain when looking at the make up of a fitout project, but in our experience we estimate this to only be approximately 50% of the project.

**Leasing repayments are 100% tax allowable.**

## So what is our solution?

- + If you are looking to invest, we will put together a finance package that achieves the most tax savings for you.
- + If you have the cash we would recommend using it to pay for the eligible assets and claim the 100% allowance in year one, **but** to lease the remaining costs and claim 100% allowances on the repayments
- + If you don't have the cashflow available or would prefer to leave the cash in the business, qualifying assets can be financed via a lease purchase agreement. This would still attract the 100% first year allowances. Again we would recommend the remainder is financed via a lease rental.
- + This will ensure you fund your project in the most tax efficient way.



We have been offering finance on fitout and furniture projects since 2001 and would love to work with you to ensure you fund your projects in the most cost effective and tax efficient way possible.

To find out more, contact a member of our team on **01494 783773** today!