



# Structures & Buildings Allowance

For Commercial Property Owned By A Business



## Previously...

Any expenditure on new buildings or immovable parts of buildings (such as new walls, windows, doors and floors) would not have been entitled to tax relief through the capital allowances system.



## Now ...

For new building works started on or after the 29th of October 2018 you can now claim a portion of the cost per year against your company tax return.



## Rates

Between the 29th October 2018 and 31st March 2020, the rate was 2% per annum on the original cost of the structure but from April 2020, this has increased to 3%.



## Buying from a Developer

If you're buying a building from a developer you will be able to claim on the value paid to the developer less any costs that would be covered under the normal Capital Allowances.



## Qualifying Expenditure

If you're building or renovating a structure for use in your business, this includes:

- o Construction/renovation costs
- o Design fees
- o Site preparation
- o Fit out works



## Allowance Statement

You will need to keep an "allowance statement" detailing how much you have claimed per year. In the case that the building is then sold or transferred, the new owner will be able to pick up claiming allowances where you left off.

For more information as to exactly what expenditure would qualify, please contact your Client Manager.



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