



Barlow Andrews

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SWEET 16 TAX SAVING OPPORTUNITIES

REDUCE YOUR TAXABLE PROFIT

1. **Pension contribution** – possible to reduce profits of £235k to Nil
2. **Provision for bonuses** – obtain the tax relief now but stagger the payment over nine months
3. **Change your end** – set off the costs of a bad period against the profits of the good period
4. **Reduce your closing stock value** – get tax relief for slow moving stock, obsolete stock, unsaleable stock
5. **Write off debts** – get tax relief for customers who can't pay or won't pay
6. **Delay your tax bill** – reduce your taxable profit now by providing for possible legal claims, contractual repairs, employee disputes, customer – supplier disputes, redundancy
7. **Uplifted tax relief** – qualifying R&D gives £1.75 relief for every £1 spent and cleaning contaminated land gives £1.50 relief for every £1 spent
8. **Invest in smaller businesses** – it is possible to set off the cost of the investment against your corporation tax bill for certain companies
9. **Goodwill and intellectual property on the balance sheet** – review and shorten useful life to get tax relief on the amortisation.
10. **Sale of assets** – make sure that the agreement to sell becomes unconditional after the year end to delay profits until next year



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BE SMART WITH CAPITAL PURCHASES –

- Order now and pay within four months of year end
 - Allocate Integral Features, Long Life assets purchased after 1 April 2008 to Annual Investment Allowance to get 100% relief
11. **Cars** – 100% tax relief for the list price of a cars below 110 g/km CO2 emissions
 12. **Energy Saving Plant and Machinery** – 100% tax relief for items listed on www.eca.gov.uk
 13. **Annual Investment Allowance** - 100% tax relief for first £50,000 of qualifying expenditure on any period ending after 31 March 2009
 14. **Short-life asset election** – accelerate allowances on sale of assets with less than a 4 year useful life

GIVE MORE AND GET MORE TAX RELIEF FROM YOUR EMPLOYEES

15. **Tax free benefits** – a menu of benefits in lieu of pay rises are available that are Tax and NIC free
16. **Shares** – possible to offset the market value of the shares against the taxable profit

If you would like to know more about how to use these tax saving opportunities, please contact Mark Sheen at mrcs@barlow-andrews.co.uk or Tim Lwin at tl@barlow-andrews.co.uk.