



# YOUR COVID-19 TAX CHECKLIST

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Here's your super quick guide on all the different tax reliefs and tax advice you need to consider for your business. It could get money back into your business.

## R&D RELIEF

### NO PREVIOUS CLAIMS

If your business has spent money on projects to develop new or existing products/services, or processes, to overcome technological challenges, you may be able to claim back £33 for every £100 spent via R&D Tax Relief. And it doesn't matter if your business is profit or loss making.

### BUILT UP LOSSES

If your loss-making business has previously made an R&D Tax Relief claim, you may be able switch the way you previously took the benefit and claim a tax free, cash payment if you haven't already done so.

### PREVIOUS CLAIMS NOT MAXIMISED

If your business has previously made an R&D Tax Relief claim, it should be reviewed again to ensure the claim was maximised. There may be additional project costs you could claim for. It doesn't matter if your business is profit or loss making.

### CURRENT YEAR - ADVANCE FUNDING

If your loss-making business has made R&D claims in the past, you may be able to get up to 70% of your current year claim early (in advance of the final submission), to improve your short-term cashflow position.

### SHORTEN YEAR END TO ACCELERATE TAX FREE CASH PAYMENT

If you are a loss-making business, you may be able to shorten your year-end so you can make an R&D claim sooner and accelerate your tax free, cash payment.

## INNOVATION RELIEFS - CREATIVE TAX RELIEFS

### NO PREVIOUS CLAIMS

If your business has been directly involved in the production and development of films, high end TV, children's TV, animation TV, video games, theatrical productions, orchestral concerts and/or museum/gallery exhibition, you may be able to claim back £45 for every £100 spent via Creative Tax Relief. And it doesn't matter if your business is profit or loss making.

### BUILT UP LOSSES

If your loss-making business has previously made Creative Tax Relief claims, you may be able switch the way you previously took the benefit and claim a tax free, cash payment if you haven't already done so.

### PREVIOUS CLAIMS NOT MAXIMISED

If your business has previously made a Creative Tax Relief claim, it should be reviewed again to ensure the claim was maximised. There may be additional project costs you could claim for. It doesn't matter if your business is profit or loss making.

### CURRENT YEAR - ADVANCE FUNDING

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## PATENT BOX

### PATENTS

If you own patents that are making your business a profit, you may be able to make a Patent Box Tax Relief claim that could reduce your business corporation tax.

### INTELLECTUAL PROPERTY OWNED

If you own profitable, unpatented intellectual property which you could patent, you could consider applying for a patent. Your business may be able to make a claim for a Patent Box Tax Relief, that could reduce your business corporation tax.

## CAPITAL ALLOWANCES

### NOT CLAIMED ON HISTORIC ACQUISITION

If your business has previously bought an asset within a building, you may be able to make a claim for Capital Allowances Tax Relief for the asset, and a make a business corporation tax saving.

### REVISED CLAIM ON A HISTORIC ACQUISITION

If your business has previously made a Capital Allowances claim for an asset within a building, you should review the claim to ensure the tax relief has been fully maximised.

### CLAIM ON HISTORIC IMPROVEMENTS

If your business has previously made a Capital Allowances claim for improvements made to a building such as a new lift, you might be able to claim further costs relating to the improvement.

### CLAIM ON CURRENT YEAR PURCHASES

If your business has recently purchased an asset, you may be able to make a tax relief claim and reduce your Business Corporation Tax Bill.

## CAPITAL ACQUISITIONS AND DISPOSALS

### ASSET DISPOSALS AND ACQUISITIONS IN THE LAST 3 YEARS

If your business has sold an asset in the last 3 years and plans to reinvest the funds into a new business asset, you may be able to claim tax relief on the tax previously paid.

### STAMP DUTY LAND TAX (SDLT) TEMPORARY CUT

If your business plans to buy a residential property in England or Northern Ireland, it may be beneficial to do so before 31st March 2021, to take advantage of reduced Stamp Duty Land Tax (SDLT) rates.

### LAND AND BUILDINGS TRANSACTION TAX (LBTT) TEMPORARY CUT

If your business plans to buy residential property in Scotland, it may be favourable to do so before 31st March 2021 to take advantage of the reduced Land and Buildings Transaction Tax (LBTT) rates.

## VAT

### VAT PLANNING

A review of your business processes and systems may provide some suggested ways to improve your cash position by ensuring VAT is recovered quicker.

### VOLUNTARY VAT REGISTRATION

If your business has supplier costs greater than revenue, you could voluntarily register for VAT which may improve your cashflow.

## TAX DEFERRAL

### VAT TAX DEFERRAL REMINDER

If your business has deferred VAT payments, they are due on 31st March 2021. HMRC are due to launch a new scheme allowing payments to be made in 11 monthly instalments up to 31st March 2022.

### TIME TO PAY ARRANGEMENTS

If you owe tax to HMRC, have an open enquiry or have upcoming tax that you will struggle to pay, you can contact HMRC to request a more manageable repayment schedule.

## BUSINESS EXIT

### END OF BUSINESS/EXIT - STRUCTURING

If there is a risk your business will close in the next 3 years; advice should be sought to make sure the business structure is as tax efficient as possible.

## LOSSES

### USING LOSSES FOR CASHFLOW ADVANTAGE

If you are currently a loss-making business, you may be able to carry back your losses to previous years or shorten your year-end to improve your cashflow.

### END OF BUSINESS LOSSES (TERMINAL LOSSES)

A business which has stopped trading, may be able to carry back losses - made in the last 12 months - up to 3 years, to reclaim corporation tax previously paid.

## FUTURE TAX PLANNING

### SECURING FUTURE TRADING STATUS

To access favourable tax reliefs in the future, a business must remain trading or show their intention to continue to trade despite the current restrictions placed on businesses.

### ENTERPRISE MANAGEMENT INCENTIVES (EMIS) - EMPLOYEES ON FURLOUGH

If your business has an EMI share scheme, employees can still receive their shares and be given even more shares via the scheme despite being on furlough, part time or unpaid leave.

## TAX EFFICIENT FUNDING

To boost cashflow, certain businesses can obtain funding from private investors which would in turn give the investor favourable tax relief of up to 50% for their investment.



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If you'd like more information on the  
Tax Reliefs & Advice summarised in  
this guide, please email  
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or call 0151 380 8089

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