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Media Release

Known as the Structures and Buildings Allowance (SBAs), this tax relief applies to all assets where building works commenced from 29th October 2018. The legislation applies to the cost of construction of all new commercial buildings and structures, in addition to new conversions, renovations and fit-out works. SBAs will not cover land or dwellings, but where a development is of mixed-use, relief will be reduced by apportionment.

"At Gleeds we are encouraged the Government has listened to industry and provided this addition to the capital allowances system. The Structures and Buildings Allowance will provide decent cash flow benefits to many investors and property users during their ownership of the property", said Andy White, Director of Advisory Services at Gleeds.

The relief will be given at a flat rate of 2% over a 50-year period to all payers of income and corporation tax. Additionally, there is a temporary increase in the Annual Investment Allowances from £200,000 to £1m for two years, but the reduction in the special rate pool writing down rate from 8% to 6% and the withdrawal of Enhanced Capital Allowances in 2020 were disappointing changes.

To discover the extent of the savings that are available on your assets and the impact of the changes on your company contact Andy White or Sydney Sibanda.

Notes for editors