

Rail Forum Finance Leaders Group Corporate Tax

Presented Gary Devonshire – October 2024



Corporate Tax relief

01	Introduction	04	Pensions
02	Budget	05	IHT
03	CGT	06	Cash generative cash relief's



Introduction

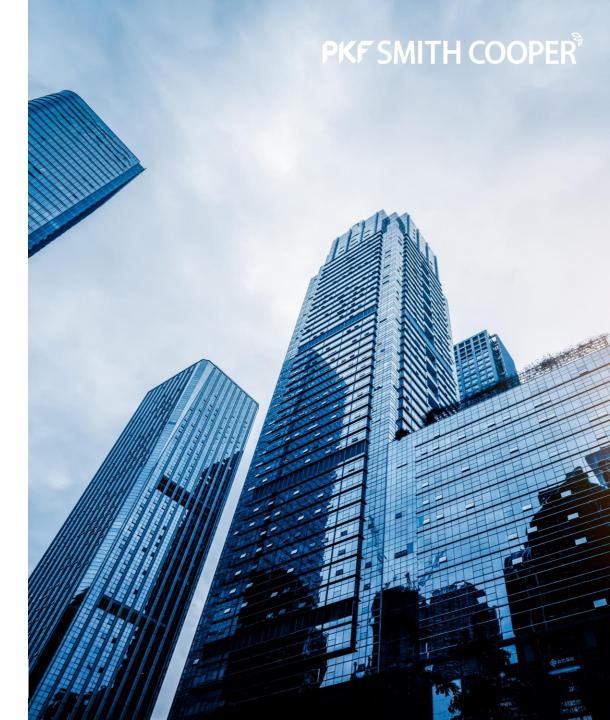


Gary Devonshire Tax Partner (E) gary.devonshire@pkfsmithcooper.com (T) 07815 059519

- Joined PKF Smith Cooper in January 2019
- Over 20 years of experience in Tax Advisory
- Midlands based
- Specialising in Innovation and Property taxes, including R&D and capital allowance consultancy projects
- Also advises on transactions and employee retention

Budget – October 2024

- Significant uncertainty surrounding various aspects such as IHT, CGT and pensions
- Manifesto indicates no rises for income tax or VAT, so the above are obvious targets
- Could be effective from Budget Day so need to be aware



Capital Gains Tax

- Currently 10% if you sell your business (shares in a business) for under £1m (if BADR in point), 20% after
- Residential property 18%/24%
- Listed shares and other capital assets 10%/20%

Options

- Make use of unused capital losses, AE, review gifts into or out of Trust or transfer of property to a company
- If a transaction is delayed post 30 October 2024, review alternatives

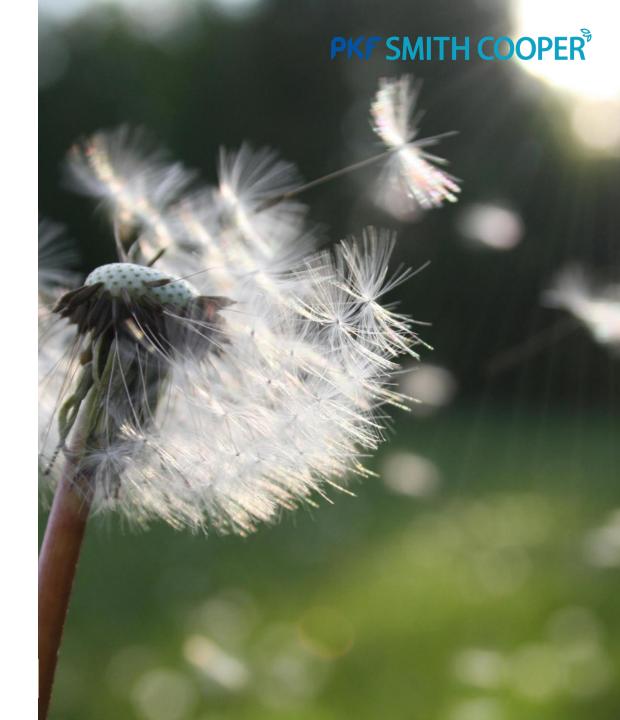


Pensions

- Currently can put in £60k per annum (if not earning £260k per annum)
- Can make catch up payments for unused capacity over three previous years

Options

- Make use of unused pension capacity and make maximum payments if possible
- Consider salary sacrifice arrangement for key employees



IHT

- Currently have a NRB of £325k available, but shares in trading businesses or agricultural property can attract 100% relief on death
- Consider gifts into Trust as part of a wider family wealth strategy
- Will also need to consider CGT implications and wider family wealth plans

PKF SMITH COOPER[®] FEND 250Kg



Other items to consider: Cash generative tax relief's

Capital allowances

- Available on acquisitions of business assets and commercial property (also furnished holiday lets until 5 April 2025)
- Significant benefits available, particularly with commercial property assets
- Varying rates of relief but can adjust the net costs of investment

Research & development tax credits

• Have presented on this previously but still worth noting again for companies that innovate

Q&A

Do you have any questions?

PKF SMITH COOPER[®]



PKF Smith Cooper 03333 446306 Prospect House, 1 Prospect Place, Millennium Way, Derby, DE24 8HG

PKF Smith Cooper is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any other individual member or correspondent firm or firms.

www.pkfsmithcooper.com