

Capital Allowances Case Study

Services on behalf of the Lifestyle Group Historical Motor Dealership Purchases



- Lifestyle Bricks and Mortar Ltd had purchased two motor dealerships from Vines BMW in 2004. The total purchase price for both properties was circa £4.4m. No allowances had been claimed on either purchase.
- Savills Capital Allowances Consultancy were engaged in 2014 to undertake a review of the purchases. Initially Savills conducted the due diligence to determine the legal entitlement for Lifestyle Bricks & Mortar Ltd to claim allowances in line with requirement of the Capital Allowances Act 2001.
- A detailed site survey was carried out on both properties to identify plant and machinery assets ascertain which assets would fall within the restriction identified and which form part of the unrestricted apportionment.
- Cost estimates for the reconstruction of both buildings along with bare site land valuations also formed part of the detailed detail capital allowances valuations prepared.
- Savills identified an additional £450,000 qualifying expenditure which will flow through to a tax saving of circa £90,000 over time.

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