

AGRICULTURE



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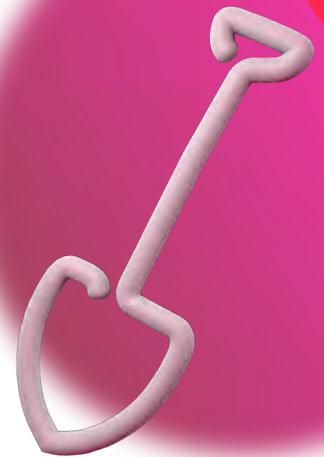
AGRICULTURE

ABOUT THIS SECTOR

The farming sector is constantly evolving. Farming operations are now more sophisticated and farmers are investing in their buildings, equipment and new technology to meet the demands of their industry.

The common goal for all companies involved in agriculture is to increase productivity, reduce prices and have respect for the environment.

The latest statistics from HMRC illustrate that the Agriculture, Forestry and Fishing industry is hugely under-claiming R&D tax credits, patent box tax relief and capital allowances.



POTENTIAL R&D CLAIMS

Many companies are conducting qualifying R&D activities for R&D tax relief purposes in this sector on a daily basis, without even realising it. What may seem as typical day-to-day challenges in the office and field may qualify. This may include developing new products, processes or services or duplicating existing products and processes in an appreciably improved way. The development does not have to be blue sky innovation, however, it is necessary for the company to demonstrate some kind of technical uncertainty in the work being undertaken.

Typical qualifying activities within this sector include but are not limited to;

- Improving methods and materials to increase crop yield and flavour.
- Improving methods to prevent infestation and improve soil quality.
- The development of new crop strains or animal cross breeding to improve the nutritional value of food.
- The introduction of better and safer fertilisers, biocides and biological pest control.
- Advances in animal husbandry techniques, methods of livestock production and livestock feed.
- Improvements to waste handling processes.
- Developments in packaging technology.
- Utilisation of new technologies to increase efficiency and/or cut costs of existing processes.
- Improve crop growth and processing methods.
- Improving soil management and irrigation techniques.
- Experimentation with new chemical and organic fertilisers.
- Development of new or improved equipment and processes for use in planting, fertilising, delivering insecticides and fungicides, harvesting and cleaning crops.



POTENTIAL PATENT BOX CLAIMS

Companies that hold patents could qualify for a reduced corporation tax rate of effectively 10% on profits derived from those patents. Any company in this sector that does not hold a patent, should be reviewing its technological developments to consider its eligibility to apply for a patent and benefit from the significantly reduced 10% tax rate.

The technical hurdle to apply for a patent is not as high as you may think. Similar to R&D tax relief, what may seem as typical technology in the office or field, may be patentable and eligible for a 10% effective rate of tax.

Some examples of patents in this sector include but are not limited to;

- Agricultural combine technology.
- Farming equipment including innovations in tractors and tracked vehicles.
- An innovative smart sensor to track animal movements and crop growth.
- Ground working implements.

POTENTIAL CAPITAL ALLOWANCE CLAIMS

Capital allowances enable commercial property owners to obtain tax relief relating to capital expenditure embedded within their building.

Capital allowances on plant and machinery such as; tractors, feeding equipment and irrigation equipment will typically be claimed in the tax computation already. However, many businesses in this sector are not maximising their claim – they are missing many hidden qualifying features.

The opportunities in this sector can be vast. For example, specialist poultry sheds that include features to ensure optimum environment/temperatures including; sealed corridors, boilers or specialist flooring, will all attract significant tax savings.

These valuable allowances are not only available on property owned for years, but also on the;

- Acquisition
- Construction
- Refurbishment; or
- Extension of commercial property.

The value of capital allowances on agricultural buildings is typically 20-40% of the purchase price, increasing to 45-65% for high spec refurbishments or new builds.

Of course, the extent of the opportunity depends on the level of the specification.

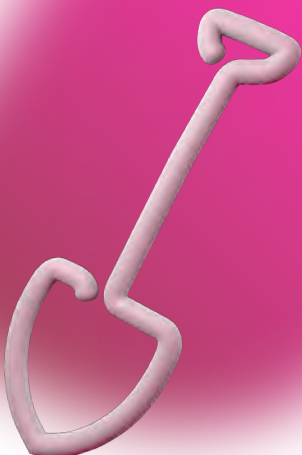
DON'T LOSE OUT!

Allowances are often missed on these properties due to the lack of detail in the construction cost information provided by contractors. This information can consist of high level work summaries which are very difficult for non-specialists to break down and segregate, resulting in significant lost allowances.

Typically, elements missed in the capital allowances claims include demolitions, alterations and finishes. Furthermore, professional fees associated with plant and machinery on which we are claiming capital allowances are eligible, but are easily forgotten.

YES! THERE'S MORE!

In addition, there is a little known tax relief called Research and Development Allowances (RDA's). If it can be identified that the purpose of the expenditure on plant and machinery, buildings and IT equipment was for the purpose of Research and Development, then 100% uncapped first year capital allowances can be claimed on this expenditure.





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ARCHITECTS



BIOTECHNOLOGY



CLOTHING & FASHION



CONSTRUCTION
INDUSTRY



COSMETICS
& SKINCARE



DIGITAL MEDIA
& GAMING



DISTRIBUTION
& LOGISTICS



ENERGY & UTILITIES



ENGINEERING



FOOD & DRINK



FOUNDRIES



INJECTION MOULDING,
PLASTICS & RUBBER



INSURANCE



MANUFACTURING



MARINE, AEROSPACE
& RAIL



MATERIALS
& CHEMICALS



MEDICAL DEVICES



PACKAGING



PHARMACEUTICALS
& HEALTHCARE



PRINTING



SECURITY, LIGHTING
AND ELECTRICAL



SOFTWARE & IT



TELECOMMUNICATIONS



TRAVEL SOFTWARE



WASTE MANAGEMENT
& RECYCLING

SAY YES!

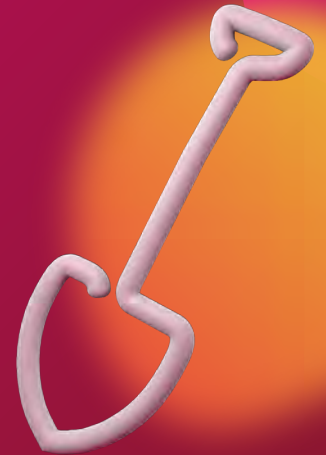
Let YesTax unlock your hidden qualifying expenditure. We are approachable, proactive and productive.

Our qualified experts will arrange a no obligation call to outline the process and assess the extent of your opportunity – you just have to say **YES!**

NO SAVING, NO FEE – YES!

We're flexible, but typically we work on a contingent fee basis. Therefore, if YesTax is unable to identify any saving for you, there is no fee due!

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