



VAT | advisory services for property and construction businesses

the team



Graham Elliott
Transaction Tax Partner
020 7969 5610
gelliott@haysmacintyre.com

At 20% on turnover, VAT represents one of the biggest taxation items in a property or construction business's budget, and represents the kind of risk that can destroy profits or even a business. On the other hand, failing to operate in a VAT-efficient manner can leave you languishing behind your competitors. The VAT issues do not "make" a deal, but they can sometimes break it.

For this reason, advice on VAT cannot really be treated as an after-thought, or subservient to other issues with which you regularly deal. To give it its due priority, you need access to good VAT advice from a specialist adviser who is familiar with the issues and can quickly point out both the pitfalls and the opportunities.

experience, trustworthiness, commerciality

These are three qualities that come out in Graham Elliott's advice on property and construction:

experience: Having worked in VAT since 1984, having become a consultant in 1988, and having qualified as a Chartered Tax Adviser in the mid 1990s, Graham has seen a wide range of situations and advised on most property related issues, some of which are mentioned specifically below. Apart from his role as a partner in haysmacintyre, he was also a senior manager in a top 6 accountancy practice in the 1990s.

trustworthiness: A test of trustworthiness is how long clients stick with you and whether they feel comfortable that you see things the way they do. Graham's longest serving client operates in the property investment sector, and has been a client since 1988, when Graham first began to practice. As a general rule, when a company hires Graham, they tend to continue taking his advice because they can trust him to put himself in their shoes and think along similar lines to them.

commerciality: Not too many VAT advisers are also an MBA, but Graham is. He always puts commercial realities first in any advice he gives. In the VAT world that is important, not only for the obvious reason that businesses get very little out of a dry academic analysis, but also because, these days, the viability of a VAT structure is often critically dependent on its level of commerciality.

the bold approach

Property people are essentially entrepreneurial people who take calculated and well understood risks. You do not want to have an adviser who takes prudence and caution to their ultimate conclusion. That would not suit your business operation. Graham avoids that pitfall. In fact, when you consider that Graham lectures regularly on property and buildings VAT in public events (not merely those his firm organises) and writes for publications such as *Estates Gazette* and *Accountancy Magazine* you can see that he is not afraid of putting his views forward. Confidence (not arrogance) is a positive factor in an adviser.

strength in depth

In addition to Graham's qualities as an adviser, he is assisted by a colleague (Phil Salmon) who has almost as much experience and who is also CTA qualified. They have worked together since the 1990s.

services to Lawyers and Accountants

A large proportion of Graham's clients are referred by accountancy practices (many of which do not choose to "carry" a VAT specialist function) and property lawyers. He takes on expert witness work referred by his many legal contacts. In fact he also receives referrals from architects, surveyors, and builders.

your kinds of issues

Here are some of the things that may interest you:

1. Special rules affecting the application of the option to tax (see Graham's articles on this in *Estates Gazette*).
2. TOGC treatment and the pitfalls of assuming it applies.
3. The application of the Capital Goods Scheme to property purchases and construction (a subject on which Graham lectured publicly in October 2011).
4. Second home and leisure developments
5. Listed building and DIY House builder reliefs.
6. Charity VAT reliefs on buildings (which need to be understood both by the charity occupants and their landlords/contractors, to avoid expensive mistakes).
7. The treatment of service charges and such things as ancillary parking.
8. Property related aspects involved in sports supplies.
9. Hostels, care homes, schools, hotels.
10. Farm conversions and everything agricultural.
11. Residential regeneration services issues.
12. House and flat development (including that old favourite, the "golden brick", and those s.106 agreements).
13. Rights of way, rights of light, rights to erect hoardings, and those kinds of things.

location

Location is not as big a feature as it used to be. Many of Graham's clients operate at some distance from his central London office (one, for example, is in North Yorkshire). But his office location in Holborn in London puts him at the centre of the country's biggest physical communication network. Additionally, he lives in East Herts, and is very accessible, for that reason, to Cambridge, Hertfordshire, and most of Essex and Suffolk. And this is in addition to serving all the Home Counties from his base in London.

contact

Phone or email Graham for a no obligation discussion on: 020 7969 5610 (07796 950756), or gelliott@haysmacintyre.com

haysmacintyre

haysmacintyre t 020 7969 5500
Fairfax House f 020 7969 5600
15 Fulwood Place e marketing@haysmacintyre.com
London w www.haysmacintyre.com
WC1V 6AY @haysmacintyre

about haysmacintyre

haysmacintyre, Chartered Accountants and tax advisers, comprises 24 partners and 160 staff based in Holborn, London. We provide high quality auditing and assurance, business and personal taxation, corporate finance, financial planning and other business support services.

Around 50% of the firm's business is within the corporate sector – small and medium sized enterprises, many of which are within the property, hospitality, creative industries, financial services, motor trade and manufacturing sectors; over 35% is for charitable and not for profit organisations and the remainder is for professional practices and private individuals. haysmacintyre acts for a number of listed companies and assists many new companies achieve initial fundings and listings on the capital markets.

haysmacintyre is a founding member of MSI Global Alliance (MSI), an international alliance of independent legal and accounting firms, with 250 members in 100 countries.



Disclaimer: This datasheet has been produced by the partners of haysmacintyre and is for private circulation only. Whilst every care has been taken in preparation of this document, it may contain errors for which we cannot be held responsible. In the case of a specific problem, it is recommended that professional advice be sought. The material contained in this datasheet may not be reproduced in whole or in part by any means, without prior permission from haysmacintyre.

