



real estate | VAT advice

contact



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Whether you are an in-house qualified accountant, a commercial director or an investment or managing agent in a real estate business you will often find yourself in need of fast and reliable VAT advice. At haysmacintyre, we have a team of highly specialist VAT advisers who are experienced in the VAT issues that occur in the strategic structuring of property companies, the options for particular developments and the ongoing operational issues facing landlords. We outline below some of the most common VAT areas where we help our real estate clients - whether they are finance professionals or real estate professionals.

updating your technical knowledge

Even the most highly qualified accountants and finance directors will need help in keeping up to date with the constantly changing VAT regulations and the changes arising as a result of new cases. Our complimentary news alert service is available to clients and non clients.

acquiring properties as a going concern

Developers and portfolio owners will often look to acquire tenanted properties as transfers of a going concern which are free of VAT and have lower SDLT (Stamp Duty Land Tax) to minimise the impact on cash flow and the net cost of taxation to their business. However, whilst this may be the intention of both the buyer and seller of the property, it will depend on the detail within the warranties. A short warranty review and discussion of the transaction with our VAT specialists can provide the necessary checks and reassurance to avoid unexpected liabilities.

structuring mixed developments

Granting interests in commercial property is generally exempt from VAT (unless you opt to tax). Residential property is largely zero rated if new or as a result of building works from a change of use. Refurbished or upgraded residential property is VAT exempt. Reduced rates can apply to some conversion work. Therefore, when structuring a mixed development it is important to assess the liability and recovery issues at the outset and our VAT specialists can provide a structuring review.

rental income strategy

Wherever possible, it is generally advisable to opt to tax although this will depend on the extent to which your tenants can recover the VAT and this, in turn, will be dependent on the nature of their business. If you find yourself making exempt supplies then this can affect the amount of VAT you can reclaim. Whether you need assistance to review your entire portfolio or on a site-by-site basis we can review the situation and advise on the best ways to maximise your VAT recovery.

tenants and VAT

Managing agents will face many VAT situations as part of their day-to-day activities - what to do when tenants fail to pay VAT, when to issue demands, bad debt relief etc. Developers and lettings agents may need support when considering certain types of tenants who are VAT exempt and of the pitfalls when marketing vacant property. Our clients know that there is always a friendly voice on the end of the phone who can provide a fast and reliable answer.

structuring investment deals

As there are so many different possible VAT consequences, developers and investment agents may need advice on VAT implications when structuring deals - for example, whether to have separate development and letting companies. Joint ventures also need special care with regards to VAT.

listed buildings

Contractors, builders, architects and surveyors will need help when managing works on listed buildings as some elements qualify for zero rating. We can review the schedule of works and identify the different VAT treatments so that the work can be conducted in the most VAT efficient way. We often advise private investors in this area too.

haysmacintyre is well placed to advise you on VAT matters for your real estate company because:

- You can be sure you are getting accurate and up to date technical advice from advisers who are fully conversant with the special situations facing those in the real estate sector. Our senior VAT advisers are constantly advising real estate companies and other commercial and not-for-profit organisations on real estate issues.

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- Despite their high level of technical sophistication, our VAT specialists speak in plain English. They are able to interpret complex regulations and their application in different real estate situations and translate the options and a recommendation into ordinary commercial language that you will understand. They don't just regurgitate the regulations, they provide pragmatic advice to support your commercial decisions.
 - You can obtain advice from our VAT specialists in any number of ways - on a fixed price basis or on the basis of a few hours consultation. Our pricing and charging structures are flexible.
 - You get a fast response from the haysmacintyre team. Our VAT specialists - although preferring a little more warning - are available to help immediately, even if it is for emergency "deal day advice" support.
 - You can draw on the audit, accountancy and other tax advice beyond the VAT team in our real estate team should the need arise - so you have a complete solution.

about the haysmacintyre real estate team

haysmacintyre, Chartered Accountants and tax advisers, acts for many real estate organisations in the UK - from substantial to small commercial and residential developers, international to domestic investors, national surveying practices to sole agents, from law practices to individual partners and landed estates. Services range from audits for listed companies, managing the financial aspects of real estate interests in company sales, business and accountancy advice for entrepreneurial family businesses, business and personal taxation issues for corporate entities and partnerships, deal structuring advice on portfolio and single site deals and VAT advice.

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