

## Case Study

### Property Type: Apartment Block

#### Scenario:

This property had long term tenants on all residential apartments, with the communal areas owned personally. The building was acquired in 2010 at a cost of £850,000 (this was for the communal areas only). The Client had income creating tax liabilities charged at 40%.

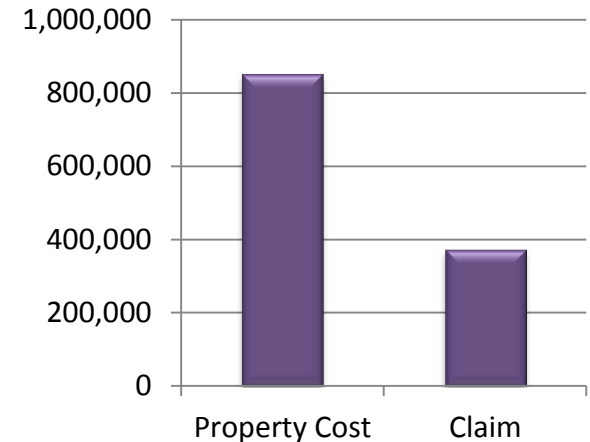
We ensured previous owners had not already claimed the Property Embedded Fixtures & Features (PEFF's) and gained a full understanding of the Client's tax position. This is to ascertain whether the Client could benefit from our expertise.

- Total communal area cost: £850,000
- We highlighted: **£372,250** of unclaimed PEFF's that qualify for tax relief.

Due to the Client's tax status, this meant the amount of tax that will be saved as a result of the PEFF's totalled **£148,900**.

#### The potential consequence of the new legislation:

If this property was acquired post 2014 and the PEFF's were not dealt with accordingly, this tax saving would have been lost entirely!



#### PEFF examples:

- CCTV
- Fire & Emergency equipment
- Non slip flooring
- Radiators
- Lift
- Boiler
- Hand Rails