

Supercharge your productivity with super-deductible robots!

The recent announcement by Chancellor of the Exchequer, Rishi Sunak, in this year's Budget brought, with headline-grabbing fanfare, the introduction of a new '*super-deductible*' tax relief.

This is designed to encourage businesses into capital investments in order to stimulate the economy, with the intention of incentivising organisations to cease their investment deferral strategies until the 25% Corporation Tax hike comes into force in 2023.

The super-deductible tax allows organisations to claim 130% relief of qualifying investments between April 2021 and March 2023. Normally these sorts of investments would qualify for 18% relief over the lifetime of the asset, now relief can be claimed within the first year.

There is a wide range of what constitutes a qualifying investment in 'Plant and Machinery', IT equipment, including software and servers is covered within the definition.

This is great news for organisations who, as we emerge from CoViD-19 lockdowns, find themselves ramping back up for what is likely to be a bumper H2-21.

Rather than the traditional ramp-up methods that always lag the business cycle by scrambling to hire and on-board new employees. We now have the opportunity to deploy a digital workforce in the form of software automation robots which are not only faster, more accurate, scalable and resilient than a traditional human operator but with the added benefit of being super-tax-deductible!

Offset any losses and build yourself a platform for scalable growth as we embark on what has the potential to be the largest period of economic boom any of us have ever experienced.

There has never been a better time for organisations to employ a digital workforce that can operate 24/7 without breaks or mistakes.

Worked Example

- A company incurring £100k of qualifying expenditure on a digital workforce claims the super-deduction
- Spending £100k on qualifying investments will mean the company can deduct £130k (130% of the initial investment) in computing its taxable profits
- Deducting £130k from taxable profits will save the company up to 19% of that – or £24,700 – on its corporation tax bill

Take advantage of this opportunity before it is too late. Richard Jones of the Institute of Chartered Accountants urged "*If you're thinking of making any investments in plant and machinery, think about bringing it forward to take advantage of this regime.*"

Give Amplio a call today to supercharge your productivity with a new super-deductible digital workforce!