

FINANCE LEASING “BULLET POINTS”

- Applicable to all VAT qualifying vehicle
- Vehicle supplied net of VAT (as finance/leasing company re: claim)
- Monthly rentals are lower than H.P. as vehicle price is lower
- VAT is added to monthly rental and initial rental/deposit
- Initial rental can attract tax relief
- 50% of VAT on rentals is immediately reclaimable
- Remaining 50% of VAT can be offset against tax (depending on accounts/tax status)
- Up to 85% of monthly rental can be offset against tax (sometimes more, depending on value and tax status)
- You can sell the vehicle at any time and retain 97.5% of sale proceeds (average)
- As vehicle is supplied net of VAT, you sell net of VAT
- You can keep the vehicle beyond the agreement period and make a nominal annual rental (equivalent to one monthly rental) indefinitely
- On balance sheet funding, improves asset base
- Balloon payment can be created at end of agreement and keep monthly rentals low
- Percentage of private use can be 100%
- Must be taken in current tax year (unlike purchase)
- While you may sell the vehicle you cannot own it although the vehicle will be registered to you.

This information is prepared only as a pointer. Your accountant should ultimately advise you which funding method is most appropriate.

Further information and quotations are available upon request.

Please contact **Michael Duale** for details.