

# Accounting resource: Tax planning for a private company.

“Tax is a cost, and a risk, that a business has to manage. For many firms it’s often one of the biggest - getting it right is vital.”

Alan Ross, Tax Director, Wilson Partners Ltd

## 10 tax planning tips for a UK private company.

### 1. Tax efficient profit extraction

Get the optimum mix of dividends and salary to obtain significant and immediate tax savings

### 2. Tax efficient profit extraction

Use Approved Pension arrangements to achieve significant tax savings

### 3. Maximise capital allowances

Ensure all allowances are claimed

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## Tax planning

### 4. Independent taxation

Use Spouses to maximise lower tax rates and allowances

### 5. Expensive children?

Amend Share Capital Structure to pay for education costs in tax efficient manner

### 6. Equity Incentives

Lock in the key players with tax efficient equity incentives

### 7. Business premises

Own name / company / pension scheme / trust / other?

### 8. R & D Tax Credits

Claim them if you can!

### 9. Think about LLP's

Property/new ventures/other

### 10. Private Car or Company Car

Significant savings are possible by getting this one right

