

Health check

Make business safe and functioning based on new normal

Once you have stabilised your business, then it's time to 'health check' your business, to make your business safe and functioning based on the new normal.

People

As businesses adapt there are a number of areas to consider from a people perspective. Here are some of the common tax areas requiring consideration.

- [PPE cost.](#)
- Cleaning.
- Location of workplace.
- Mileage cost of commute.
- Testing costs.
- [Global mobility.](#)
- [Incentivisation/share schemes.](#)
- [Compliance implications of virtual assignments.](#)
- [Cost effective global mobilisations.](#)
- [Redundancy/termination payments.](#)
- Cycle to work schemes.
- [Job retention and creation.](#)

Risk management and compliance

Risk and compliance should always be kept in mind particularly in difficult times, ensure you consider the following.

- [Furloughing – internal review of claims for errors.](#)
- Value added compliance reviews.

Audit / Tax / Advisory / Risk

Supply chains and customers

When considering new relationships, understanding the VAT, withholding tax and corporate tax implications of any of the following is important

- New suppliers.
- New customers.
- Efficient transportation.
- [VAT/duty.](#)
- [VAT incentives \(hospitality and tourism\).](#)

Workplace and plant & machinery

Most businesses will need to rethink their property strategy and workplace environment, you should ensure you have considered the tax reliefs available and tax implications around this.

- [Machinery adaptation for social distancing.](#)
- [Availability of capital allowances.](#)
- [R&D work identification.](#)
- Asset acquisitions.
- [Surplus properties and assets – Capital Gains Tax and capital allowance implications.](#)
- [Rent renegotiations.](#)
- [Onerous leases.](#)
- Dilapidation payments.

Efficiency and restructuring

It will be important to ensure that your adapted business continues to operate cost effectively from a tax perspective. Maximising efficiency in any of the following areas will be important.

- Loss planning including terminal loss relief.
- Diversification.
- [Group rationalisation/liquidations.](#)
- Balance sheet strengthening.
- Hive down.
- [Resource centralisation.](#)

Funding and cash management

From a tax perspective there are many factors that require consideration when adapting your funding, including the following.

- [Interest deductibility.](#)
- [Thin capitalisation.](#)
- [Debt releases.](#)
- Sale and lease back of existing equipment.
- New funding.
- Tax refunds.
- Credit rating management.

Read our guide to '[Getting your business back on track](#)' for more information.

Start the conversation

Please get in touch with your usual Crowe contact.