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CLOCK IS TICKING ON INVESTMENT ALLOWANCE TAX RELIEF, WARNS MV ASSET FINANCE

The Annual Investment Allowance is due to revert from £1m to £200,000 at the end of the year, warns MV Commercial's asset finance team.

The Allowance enables operators to offset the cost of vehicles purchased against their taxable profit for the year, potentially saving 19 per cent, or the current rate of corporation tax, on their new purchase – but only until 31 December 2020.

Steven Cairns, Managing Director, MV Group, says: "Customer feedback tells us that many profitable businesses are not aware of the Annual Investment Allowance and the associated benefits of using this highly attractive government scheme to offset tax bills against profits - and essentially allow you to invest in our quality equipment for substantially less. With time running out to maximise the full benefit of this, now is absolutely the time to take advantage of this opportunity."

MV Asset Finance, launched in December 2018, has already enabled operators across the UK to acquire around 200 vehicles, and has transacted over £20m of funding in the last year.

Cairns says: "Our build quality and range of premium products means that we have the complete confidence to underwrite the product ourselves and, in some cases, give the customer a guaranteed buy-back from the outset. Asset finance is essential for helping operators grow and invest in vehicles they need whilst using cash reserves to deploy other areas of their business. Last year, 40 per cent of the vehicles we supplied were funded via our own finance packages."

Among the vehicles funded by MV Asset Finance so far is a bespoke crane truck with fly jib, which because of the AIA resulted in a saving of more than £70,000. Supplied to an independent operator, the asset marked the highest-value vehicle supplied by MV Commercial on finance over the last 12 months. The company has also provided package finance deals in excess of £1m as operators take full advantage of the AIA.

Nick Carter, Managing Director at NDC, who runs a fleet of mixed-used trucks all supplied by MV Commercial, says: "I have dealt with MV Asset Finance on several new vehicles for our business. From start to finish this process was seamless for us and very straight forward. What really stood out for me was the speed of service and the turnaround times - I would definitely use them again for future assets."

MV Asset Finance underwrites sales of commercial vehicles supplied by MV Commercial on a variety of options, including variable rate, fixed rate and operating lease.

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Note to editors:

MV Commercial provides sales, leasing and asset finance for commercial vehicles, as well as specialising in areas such as crane truck design and engineering, livery and painting. Founded in 2001, the company currently employs more than 120 staff at seven sites across the UK, carrying a stock of more than 1,500 LCV and HGV vehicles.

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