

RAITHWAITE VILLAGE

FURNISHED HOLIDAY LETS

WHAT YOU NEED TO KNOW ABOUT FHLS

- The property needs to be located in the UK or European Economic Area (EEA)
- It must be fully furnished
- It must be commercially let and you must intend to make a profit
- The property needs to be available for holiday letting for 210 days a year and let for a minimum of 105 or more
- No long term lets are permitted (more than 31 days at a time)

WHAT YOU NEED TO KNOW ABOUT FHLS

- Can claim Capital Gains Tax (CGT) reliefs for traders such as Business Asset Rollover Relief, Entrepreneurs Relief, Gifts of Business Assets Relief and relief for loans to traders
 - Can claim capital allowances for items such as furniture, equipment and fixtures
 - Profit counts as earnings for pension purposes
 - Can pay business rates rather than council tax (small business rates relief)
 - Can claim any profit/loss against income tax if the property is held under a personal name
 - If you share the ownership of your FHL with your spouse, portions of the profits can be flexibly distributed between you for tax purposes. You can decide on the distribution of profits, regardless of the ownership percentage share.
 - Pay a flat rate of 10% on CGT
 - Can claim tax relief on expenses, such as accounting, insurance, advertising, garden, heating and lighting, etc.
-