

## UK Energy & Tax Benefits April 2023

	What is it?	Does it apply to solar?	What's the latest?
<b>50% First Year Allowance (FYA)</b>	Allows businesses to deduct 50% of the cost of some plant & machinery from their profits during the year of purchase. For each following year, 6% of remaining cost will be written off via Writing Down Allowances.	Yes, solar panels are listed. See article for more details.	Extended to 31 March 2026.
<b>Annual Investment Allowance (AIA)</b>	Allows businesses to deduct the full value of an item that qualifies for annual investment allowance (AIA) from their profits before tax.	Yes	Now permanently available from 1 April 2023.
<b>Enhanced Capital Allowance (ECA)</b>	Allows businesses to claim 100% of investment cost in certain energy-efficient technologies against their taxable profits in the year of purchase.	Solar PV not included; shorter-warranty equipment (inc EV charging) is included.	In effect until at least April 2025.
<b>Smart Export Guarantee (SEG)</b>	Licensed electricity suppliers pay small-scale low-carbon generators for any excess electricity that they export to the grid, up to a limit.	Yes	Ongoing, no changes. Rates remain around 5-6p per kWh.

## UK Energy & Tax Benefits April 2023

	What is it?	Does it apply to solar?	What's the latest?
Full Expensing (FE)	Offers 100% first-year relief to companies on qualifying new main rate plant and machinery investments.	No	Runs 1 April 2023 until 31 March 2026.
Super-deduction	The super-deduction allows businesses to claim a 130% tax deduction on qualifying plant and machinery investments.	No	Ends 31 March 2023, being replaced by Full Expensing.
Energy Bill Relief Scheme (EBRS) & Energy Bill Discount Scheme (EBDS)	<p>EBRS was a one-off payment to help businesses cover their energy bills.</p> <p>EBDS is a one-off discount on energy bills of £140 for eligible small and micro-organisations.</p>	No	EBRS ends 31 March 2023. Business may be eligible for EBDS after this date.

For more insights,  
contact your  
Smart Ease Sales Director



033 3404 0695



enquiries@smartease.uk



www.smartease.uk