



Capital allowances worked example

Worked Example: Current ECA First Year claims given at 100%.

Example 'New' First Year ECA Capital Allowances Claim Percentages:
EPC Ratings Qualifying %

A	70
B	60
C	50
D	40
E	30
F	-
G	-

Current ECA Scheme				Claim Value	Savings @26% tax rate
Asset Type	Costs	Qualifying Costs ¹	Qualifying First Year %		
Boiler ²	120,000	105,000	100%	105,000	
VRF Air Conditioning ³	1,300,000	650,000	100%	650,000	
Air conditioning Controls ³	145,000	72,000	100%	72,000	
Ductwork/AHU ³	60,000	10,000	100%	10,000	
Lighting & controls	290,000	290,000	100%	290,000	
Emergency Lighting	50,000	50,000	100%	50,000	
Totals	£1,965,000	£1,177,000		£1,177,000	£300,000

¹Remainder of all costs not eligible for capital allowances through ECAs may be claimed in following years as per PMAs rules, i.e. 10% per annum reducing basis

²Set values only can be claimed for hot water boilers

³Only assets approved on ECA website would qualify

Potential ECA Scheme, EPC Rating B				Claim Value ¹	Savings @26% tax rate
Asset Type	Costs	Qualifying Costs	Qualifying First Year %		
Boiler	120,000	120,000	60%	72,000	
VRF Air Conditioning	1,300,000	1,300,000	60%	780,000	
Air conditioning Controls	145,000	145,000	60%	87,000	
Ductwork/AHU	60,000	60,000	60%	36,000	
Lighting	290,000	290,000	60%	174,000	
Emergency Lighting	50,000	50,000	60%	30,000	
Totals	£1,965,000	£1,965,000		£1,179,000	£300,000

¹Remainder of qualifying costs may be claimed in following years as per PMAs rules, i.e. 10% per annum reducing basis.