

tax planning

Tax planning is a strategic approach to managing your business' financial affairs, with the aim of legally minimising your tax liability. In other words, you plan ahead to make sure you pay the taxes you should be paying, but not a penny more.

Working with your tax adviser, you can look for deductions, credits, exemptions and tax-saving strategies that will help to optimise your company's overall tax position.

How does tax planning affect your business?

The primary goal of tax planning is to reduce the amount of taxes your business owes. But it's also about making sure you stay compliant with all the tax laws and regulations applicable to your business.

But what are the main advantages? Let's take a look at five of the big benefits of careful, strategic tax planning.

By planning your tax across the year, you can:

- Maximise your profits – strategic tax planning helps your company find the best available tax incentives, deductions and credits. This reduces your overall tax liability, cuts your annual tax costs and increases your overall profitability as a business.
- Boost your cashflow – tax planning is a great way to open up more liquid cash and achieve a better cashflow position for the business. When you cut down the company's tax payments, that frees up cash and helps you achieve a positive cashflow position.
- Stay compliant and mitigate your risk – being proactive with your tax planning keeps the company compliant with the relevant tax laws and regulations. It's a sensible way to tick the compliance boxes and reduce the risk of costly penalties and legal issues.
- Drive your strategic growth – smart use of tax planning helps you reduce your tax costs and reassign those funds to your strategic business goals. It's a golden opportunity to invest in areas that promote long-term growth and competitiveness.
- Give your business a competitive edge – if managed well, efficient tax planning leads to lower operational costs for the business. This gives you a competitive edge when it comes to pricing, innovation, sales and revenue generation.

How can our firm help you with tax planning?

Getting strategic with your tax planning has many advantages for your financial stability as a business. But to maximise your planning, it's important to work with an experienced adviser.

As your tax adviser, we'll help you look ahead across the whole financial year, looking for the opportunities to reduce your tax liability and find the best tax deductions and incentives.

If you'd like to know more about the impact of tax planning, we'll be happy to explain.