



VAT Loans for Construction Firms

Manage Quarterly VAT Bills Without Disrupting Cashflow



MACMANUS
ASSET FINANCE

NACFB
HELPING FUND UK BUSINESS



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Spread your VAT liability over three months to protect working capital for projects and staff.



FEATURES & BENEFITS

VAT loans ease the burden by spreading quarterly liabilities into three equal monthly payments, smoothing cashflow at a critical point in the business cycle.

- **Ensure HMRC Compliance** – VAT is paid on time and in full, avoiding penalties and protecting reputation.
- **Ease Quarter-End Pressure** – reduce the cashflow spike created by lump-sum VAT bills.
- **Preserve Liquidity for Projects** – keep cash available for subcontractors, suppliers, and labour costs.
- **Support Growth** – with VAT covered, management can confidently mobilise new projects.
- **Simplify Cashflow Planning** – predictable repayments help businesses plan ahead.
- **Maintain Supplier Relationships** – cash stays free to pay suppliers promptly, strengthening trust.

THE CHALLENGE OF VAT FOR CONSTRUCTION FIRMS

Construction firms often work on multiple projects simultaneously, each requiring significant upfront spending on labour, subcontractors, and materials. When quarterly VAT deadlines arrive, these lump-sum liabilities can cause real pressure. With turnover high and invoices subject to extended client terms, cash is often tied up elsewhere. VAT payments can clash with payroll deadlines, supplier invoices, or mobilisation costs for new projects, leaving businesses stretched even if they are performing well overall.

CASE STUDY

A regional construction company received a £110,000 VAT bill while also preparing to pay subcontractors and purchase materials for a housing development. Paying HMRC in full would have left the business unable to mobilise for the new project, risking delays and strained relationships with clients and suppliers.

By taking a VAT loan, the firm spread the liability across three equal monthly payments. This ensured HMRC was paid on time while freeing up cash to fund subcontractors and materials. The project launched without disruption, and the business maintained its strong track record with clients.



Build with Confidence

VAT loans allow construction firms to manage tax obligations without compromising projects, staff, or supplier relationships



Speak To The Experts

At **MacManus Asset Finance**, we help UK construction firms access flexible funding for diggers, excavators, cranes, and other essential site equipment.