VAT Loans for Engineering Firms

Spread Quarterly VAT Bills Over Three Months

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VAT Loans for Engineering Firms

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Stay compliant with HMRC while maintaining liquidity for production and staff.

FEATURES & BENEFITS

VAT loans ease this cashflow squeeze by spreading the quarterly tax bill into three equal instalments.

- **Stay Compliant with HMRC** – VAT is paid on time, avoiding penalties or interest.
- **Spread the Burden** – ease the impact of large lump-sum payments.
- **Preserve Liquidity for Production** – keep funds free for materials, payroll, and utilities.
- **Smooth Quarter-End Pressures** – make cashflow more predictable across the year.
- **Support Growth Plans** – ensure capital is available for machinery upgrades or new contracts.
- **Peace of Mind for Management** – focus on delivery and efficiency rather than tax deadlines.

THE CHALLENGE OF VAT FOR ENGINEERING FIRMS

Engineering companies often handle high-value contracts, large material orders, and significant payroll costs. This makes their quarterly VAT bills substantial. HMRC's deadlines rarely align with business cashflow, as engineering firms frequently deal with extended client payment terms. As a result, VAT bills often clash with outgoings for raw materials, energy, or payroll. Paying in one lump sum can disrupt operations or delay new investment, even when the business itself is profitable and growing.

CASE STUDY

A precision engineering firm faced a £95,000 VAT bill at quarter end, coinciding with a major steel purchase and high energy bills. Paying HMRC upfront would have left them unable to cover payroll, risking disruption to production. By arranging a VAT loan, the liability was spread into three monthly instalments. The firm stayed fully compliant with HMRC while keeping operations funded. With financial stability secured, they were also able to pursue a new aerospace contract.

Keep Your Projects Running

VAT loans give engineering firms the financial breathing space to manage tax obligations without interrupting production or growth.

Speak To The Experts

At **MacManus Asset Finance**, we help UK engineering businesses fund machinery, tools, and vehicles with flexible finance solutions.

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