



VAT Loans for Forestry Contractors

Spread Quarterly VAT Bills Over Three Months



MACMANUS
ASSET FINANCE

NACFB
HELPING FUND UK BUSINESS





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Protect cashflow and ensure compliance with HMRC deadlines.

FEATURES & BENEFITS

VAT loans help contractors balance these pressures by spreading HMRC's demand into three equal instalments.

- **Ensure HMRC Deadlines Are Met** – VAT is always paid on time, avoiding penalties.
- **Ease Quarter-End Strain** – smooth the impact of large lump-sum payments.
- **Preserve Liquidity** – keep cash available for fuel, equipment repairs, and staff wages.
- **Balance Seasonal Cycles** – avoid financial pressure when VAT coincides with quieter periods.
- **Protect Operations** – maintain the resources needed to keep harvesting and transport running.
- **Peace of Mind for Owners** – knowing VAT is covered allows focus to remain on contracts and productivity.

THE CHALLENGE OF VAT FOR FORESTRY CONTRACTORS

Forestry contractors often deal with high-value contracts and timber sales, which lead to significant VAT liabilities each quarter. These payments can land just as major costs for machinery repairs, fuel, or seasonal labour are due. Seasonal variations in harvesting cycles can also mean that VAT bills fall at times when revenue has yet to be realised. The requirement to pay HMRC in one lump sum every quarter can therefore cause financial strain, even for profitable and well-managed firms.

CASE STUDY

A forestry contractor received a £60,000 VAT bill at quarter end, coinciding with urgent maintenance on harvesters and payroll for seasonal workers. Paying HMRC in full would have left the business without enough cash to cover essential costs. A VAT loan spread the liability across three monthly payments, ensuring compliance while freeing liquidity to pay staff and complete repairs. The firm maintained operational efficiency and delivered on its contract without disruption.



Keep Your Forestry Growing

VAT loans give forestry contractors the flexibility to manage seasonal and operational costs while staying on top of HMRC deadlines.



Speak To The Experts

At **MacManus Asset Finance**, we help UK forestry businesses fund harvesters, forwarders, and specialist vehicles with flexible finance solutions.