

## Ownership Structures

How Kingston Smith's automotive team can help with Structuring Ownership

### Getting the right structure

We often find that businesses do not consider the most appropriate method of holding a property before making a purchase. Deciding to own a property in a limited company is not always the correct choice. Not using the right vehicle could mean you are faced with a tax inefficient structure, making it difficult for you to extract the maximum benefit from your property transactions.

### How we can help you

The solution is to consult us well in advance of a transaction so that these problems can be avoided! Depending on your objectives, there are a number of choices available to you. Some vehicles that we consider are:

- A limited partnership (LP) under the Limited Partnership Act 1906. One member has unlimited liability and the members may be corporate or individual. An LP is tax transparent.
- A limited liability partnership (LLP). This is a newer vehicle which has been available since 2001. Whilst LLPs were initially intended for the use of professional practices such as Solicitors or Accountants we find their flexibility particularly attractive for property transactions. LLPs are registered at Companies House as a separate legal entity and file accounts. They pay no direct tax - the profits or gains are taxed on the members, who can be individual or corporate.
- Limited companies can often be used in conjunction with LLPs or LPs to end up with the most flexible and efficient overall structure.
- Offshore companies or limited companies established in other EU states. Such entities can be used as they benefit from double tax treaties and protection by EU freedom of establishment rights.

To find out more about Kingston Smith's bespoke services to the sector please click [here](#)

## Key People

- [Janice Riches](#)

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