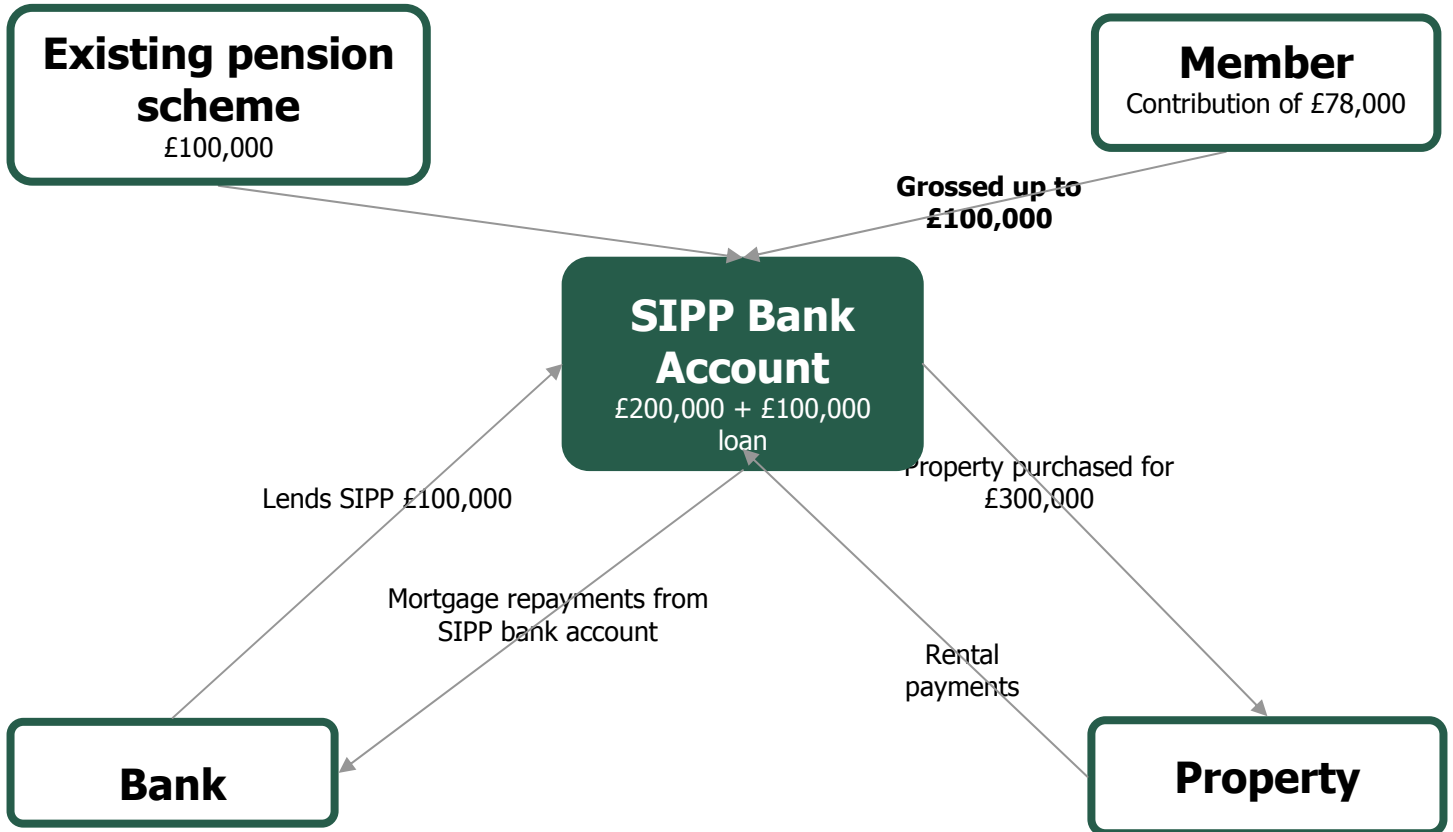


## Contribution to Aid Property Purchase

Client wants to purchase a commercial property for £300,000. He has earnings of £100,000.



The property is owned by the pension fund and therefore any growth in its value is free of income and capital gains tax. In addition, the rent payable by the partnership or company to the pension fund can be offset against profits.

Higher rate tax relief on the contribution is claimed at the end of the year.

If the member has cash available but cannot justify a larger contribution, they can lend their own money to the SIPP at a commercial rate. There is no requirement to borrow from the bank.

Once the loan has been repaid all rental income increases the value of the SIPP.

### Contact Details

**Scotland & Northern Ireland**  
4 Albyn Place  
Edinburgh  
EH2 4NG  
Tel: 0131 220 0353  
Fax: 0131 220 0369  
E-mail: [scotland@hornbuckle.co.uk](mailto:scotland@hornbuckle.co.uk)

**North**  
Cotton Court  
Middlewich Road  
Holmes Chapel  
Cheshire CW4 7ET  
Tel: 0845 345 7505  
Fax: 01477 539209  
E-mail: [north@hornbuckle.co.uk](mailto:north@hornbuckle.co.uk)

**Midlands & South**  
Tyman House  
42 Regent Road  
Leicester  
LE1 6YJ  
Tel: 0845 345 2555  
Fax: 0116 254 3342  
E-mail: [midlands@hornbuckle.co.uk](mailto:midlands@hornbuckle.co.uk)

**London**  
Ground Floor  
Dolphyn Court  
10-11 Greet Turnstile  
London  
WC1V 7JU  
Tel: 020 7269 6939  
Fax: 020 7269 6930  
E-mail: [london@hornbuckle.co.uk](mailto:london@hornbuckle.co.uk)