

Chancellor visits engineering firm to launch super-deduction

News story

The Chancellor of the Exchequer visited a local engineering firm in Grimsby today (31 March) to mark the start of the biggest 2-year business tax cut in modern British history.



- Chancellor visits Blackrow Engineering in Grimsby to mark start of super-deduction – the biggest 2-year business tax cut in modern British history
- policy will unlock £20 billion a year in investment, according to the OBR
- super-deduction allows companies to cut their tax bill by up to 25p for every £1 they invest

Rishi Sunak visited staff at Blackrow Engineering ahead of the launch of the super-deduction – which will encourage businesses to invest and grow, supporting jobs and opportunities across the UK.

The new tax break comes into effect tomorrow and will allow companies to deduct 130% of the cost of any qualifying investment from their taxable profits – meaning for every £1 they invest they can reduce their tax bill by up to 25p.

On the visit, the Chancellor was welcomed by Neil Ellis, CEO of Blackrow Engineering, and went on a tour of the factory meeting apprentices. The Chancellor also used some of the company's machinery himself, putting the finishing touches on a 'Plan for Jobs' metal plaque.

Blackrow Engineering, which designs, produces and installs manufacturing

equipment, is planning to take advantage of the super-deduction. The company has also taken advantage of the VAT deferral scheme, a Coronavirus Business Interruption Loan and the furlough scheme.

Chancellor of the Exchequer Rishi Sunak said:

The super-deduction is the biggest two-year business tax cut in modern British history – driving our economy by helping businesses to invest, grow and support our Plan for Jobs.

I urge firms across the UK to invest in our recovery by taking advantage of this great opportunity.

Neil Ellis, CEO of Blackrow Engineering, said:

We were delighted to host the Chancellor today to our workshops and to talk to him about our company.

Government initiatives including the furlough scheme and business loans have enabled us to come through this crisis. And we're hoping that the super-deduction being introduced now will help us power our way out of it.

Any qualifying investment which businesses make from tomorrow will qualify for the super-deduction.

The policy will unlock £20 billion a year in investment, according to the independent Office for Budget Responsibility.

Blackrow Engineering was started in 1979 by three partners in a small garage in Grimsby.

Further information

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