



Buying new energy-efficient equipment?

Reduce your energy costs and claim a tax break by choosing products listed on the Energy Technology List (ETL), the government-managed list of energy-efficient products.

The ETL is part of the Enhanced Capital Allowance (ECA) tax scheme for *businesses*, and with approximately 17,000 listed products, it is one of the world's largest databases of top performing energy-saving products.

BENEFITS

By buying equipment listed on the ETL you could:

1

Write off the cost of your purchase against your taxable profits

2

Deliver resource, energy & financial savings for your business

3

Own an energy-saving & energy-efficient product

Which technology groups does the ETL cover?*

Please click below to find out more.

- [Air to air energy recovery](#)
- [Automatic monitoring a targeting equipment](#)
- [Boiler equipment](#)
- [Combined Heat & Power \(CHP\)](#)
- [Compressed air equipment](#)
- [Heat pumps](#)
- [Heating, ventilation and air conditioning \(HVAC\) equipment](#)
- [High speed hand dryers](#)



- [Lighting](#)
- [Motors and drives](#)
- [Pipework insulation](#)
- [Refrigeration equipment](#)
- [Solar thermal systems](#)
- [Uninterruptible power supplies](#)
- [Warm air & radiant heaters](#)
- [Waste heat to electricity conversion equipment](#)

Tip

Consider embedding the ETL into your procurement processes to ensure your business buys energy-efficient products. By using the ETL product list, which includes details on the products' energy efficiency, you will reduce the time it takes your business to select new equipment.

What you need to know

- Are you eligible to claim a tax break? Yes, if you're a business that pays income or corporation tax.
- How much can you claim back? You'll be able to claim 100% first year capital allowance* if the product is listed on the ETL at the time of purchase.
- What type of products are included in the ETL? You'll find plant and machinery such as boilers, electric motors, and air conditioning and refrigeration products. You can access the full list of products via the Find ETL Products website.
- The product needs to be listed on the ETL at date of purchase.
- The ETL also has a few technology categories e.g. lighting where products are not individually listed, but may still be eligible for ECAs. In these cases, a statement that the product complies with the ETL criteria will be required from the manufacturer. To find out more click here for the Key Information for Purchasers factsheet.

Financial benefits and tax reliefs from ETL explained

Worked example of an Enhanced Capital Allowance

Imagine you are planning on buying a new electric motor for your business

Scenario A

You spend £10,000 on a new electric motor and claim a standard capital allowance at the 18% rate, and pay a 19% corporation tax (other rates exist, please refer to HMRC information on Corporation Tax rates).

Savings: Under this scenario, the tax relief would be £342 in the first year*. Further tax reliefs could be claimed in subsequent years.

* Assuming all available Annual Investment Allowances (AIA) have been taken and standard capital allowances are being claimed, the standard rate is 18% on a reducing balances scale.

Scenario B

You instead decide to invest in a higher efficiency motor listed on the Energy Technology List and can therefore claim an Enhanced Capital Allowance (ECA).

Savings: Under this scenario, the ECA gives an immediate one-off 100% of the available tax relief of £1,900 that year. In other words, an ECA can provide a cash flow boost of £1,558 for every £10,000 you spend in the year of purchase, with no need to claim further relief in future years.

* As a company you can claim ECAs in addition to AIAs, (for example if you have used up your AIA allowance, then you could claim an ECA on other ETL listed products), thereby increasing total available accelerated tax allowances.

* For more information on how you can claim financial benefits and tax relief you can contact HMRC directly by emailing tunde.ojetola@hmrc.gsi.gov.uk

For more information on the ETL:



visit <https://www.gov.uk/guidance/energy-technology-list>



contact the ETL helpline on 0300 330 0657



email at ECAQuestions@carbontrust.com