



Buying new energy-efficient equipment?

Reduce your annual energy costs by choosing equipment listed on the Energy Technology List (ETL), the government approved list of energy-efficient products.

The ETL is part of the Enhanced Capital Allowance (ECA) tax scheme and with approximately 15,000 listed products, it is one of the world's largest databases of top performing energy-saving products.

BENEFITS

Selecting equipment listed on the ETL you could:

1

Own an energy-saving & energy-efficient product

2

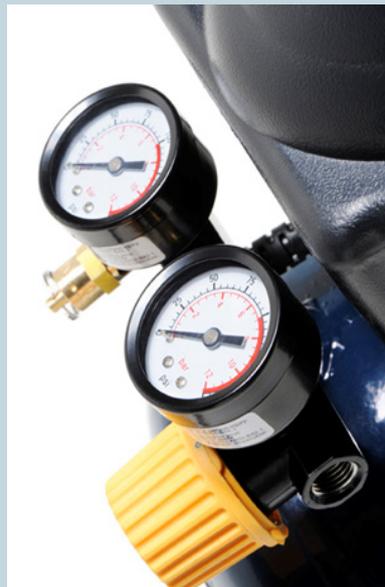
Deliver resource, energy & financial savings for your business

3

Write off the cost of your purchase against your taxable profits

Which technology groups does the ETL cover?

- Air to air energy recovery
- Automatic monitoring and targeting equipment
- Boiler equipment
- Combined Heat and 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 and Collectors
- Uninterruptible power supplies
- Warm air and 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. You can find out where to buy the equipment by clicking on the product details.

What you need to know

- **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](#).
- **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 through the ECA scheme, which will end from April 2020².
- 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 see the Key Information for Purchasers factsheet.
- All ETL listed equipment has been verified by an independent assessor, based on the real assessment data, to demonstrate compliance with rigorous and performance criteria.

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 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.*

Scenario B

For the installation of 25 18W LEDs lighting to replace 25 existing 36W T8 fluorescent luminaires within a typical 100m² retail store operating sixteen hours per day seven days a week, the potential annual savings are calculated as:

- £440
- 3.9 MWh
- 1.3 tonnes CO₂
- 0.9 year payback

With a typical capital cost of £375, lifetime energy and ECA benefits could be around £4,460 at today's prices. With a potential ECA of £71 and energy savings of approximately £440 in year 1, the capital cost is recovered in less than 1 year.

* For more information on how you can claim financial benefits and tax relief you can contact HMRC directly by emailing contact.capitalallowances@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**



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