

Guide to reducing your IHT liability

What you should know

Update Your Will

Make sure you are making full use of

- the nil rate band
- your spousal exemption
- residence nil rate band
- business property relief
- agricultural property relief

Appoint An IFA

Appoint an Independent Financial Adviser or a Wealth Manager to discuss lifetime planning.

Consider Leaving A Legacy

Charities are exempt from paying IHT on legacy's left to them in your Will.

In addition if you leave more than 10% of your estate to charity you may be eligible to a rate of IHT at 36% instead of 40% on the remainder of your taxable estate.

Consider Lifetime Trusts

Consider setting up lifetime trusts to reduce the size of your estate.

Consider Making Gifts

Consider making gifts to reduce the size of your estate.

Use your annual exemption

Take advantage of your annual exemption on gifts of £3,000 per financial year.

Make regular gifts out of income

Take advantage of the exemption to make regular gifts out of income – the gifts can be of any size providing they are regular e.g. monthly, annually, quarterly and are out of your disposable income.

Consider Small Gifts Relief

Take advantage of the small gifts relief of £250 per person per year – this can be to any number of people.

Nil Rate Band Discretionary Trusts

Speak to your solicitor about how a Nil Rate Band Discretion Trust incorporated into your Will can limit liability on any appreciation of your assets.

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For more information [click here](#)
or send us an enquiry.