



## TAX PLANNING REDUCING IHT

This case study is fictitious and is purely designed as an example to illustrate a possible financial planning scenario – no photographs, names, quotes or details included in the case study relate to real customers. Any matches or similarities with an individual are by chance and unintentional.

Name: Mr and Mrs Atherton  
Age: 66 and 61  
Occupation: both retired  
Married, three grown-up children, one grandchild

Hopefully it's not something they will have to worry about for many years to come, but Mr and Mrs Atherton wanted to make sure that their children wouldn't be hit with a large Inheritance Tax bill in the future.

They wanted to be sure that they got good advice, so they arranged to see their Financial Planning Manager. He carried out a full financial review, and calculated the value of their entire estate. He recommended ways that they could continue taking the income they both need to top-up their pensions, but put the capital into Trust for their children.

The Financial Planning Manager explained that this secured Mr and Mrs Atherton an immediate discount on the amount of their estate that was liable to Inheritance Tax and because the capital is in Trust, the entire amount would no longer be in their estate after seven years.

Meanwhile the children are thinking of insuring them for that seven year period. This solution has taken a huge weight off their minds.

### *HOW BARCLAYS FINANCIAL PLANNING CAN HELP*

We'll introduce you to one of our specialist Tax Planning colleagues

- They'll guide you through the tax maze and advise you on using Trusts to protect your assets and secure your family's future
- They can explain the tax implications of financial gifts during your lifetime
- They'll calculate your Inheritance Tax liability and discuss options for reducing the tax burden on your family
- And they can advise on Will writing and executorships

Please remember that the value of investments and any income from them can go down as well as up, so you could get back less than you put in.