



THORNTONS WEALTH

CARING FOR GRAND CHILDREN

How it can help you boost your
State Pension



BRITAIN'S BIGGEST PENSION TAXPAYERS

*How to make sure you
avoid becoming one*

PLACING ASSETS INTO A TRUST

*Ensuring your legacy is
managed according to your
wishes long into the future*

THE IMPORTANCE OF DRAFTING A WILL

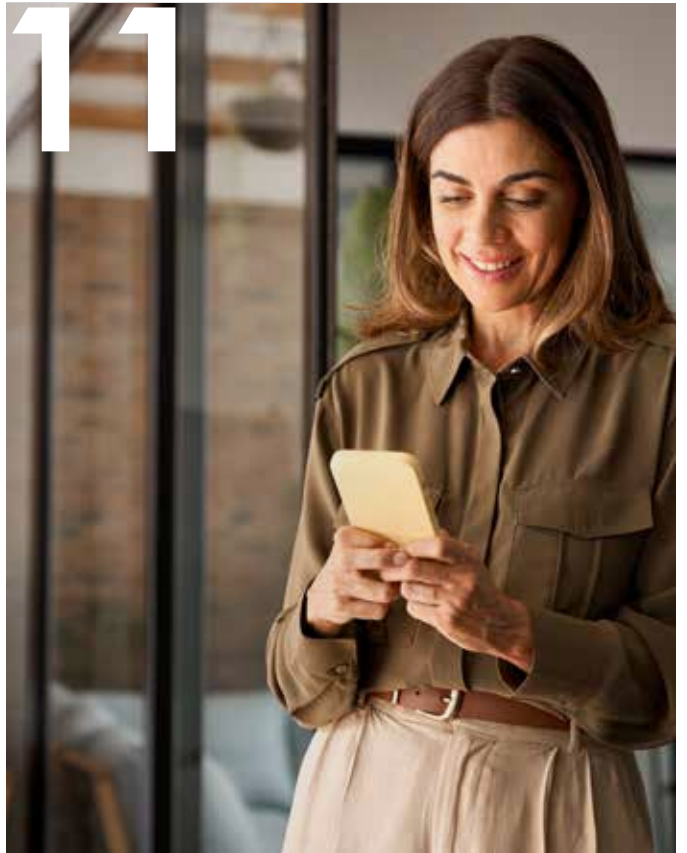
*Protect your family from
uncertainty and potential conflicts*

Thorntons Wealth

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Thorntons Wealth is a trading name of Thorntons Investment Management Ltd (SC438886) and Thorntons Wealth Management Ltd (SC241755). Both companies are registered in Scotland and the registered address is Whitehall House, 35 Yeaman Shore, Dundee DD1 4BU. The companies are authorised and regulated by the Financial Conduct Authority.



04 CARING FOR GRANDCHILDREN

How it can help you boost your State Pension

06 BRITAIN'S BIGGEST PENSION TAXPAYERS

How to make sure you avoid becoming one

08 PLACING ASSETS INTO A TRUST

Ensuring your legacy is managed according to your wishes long into the future

11 HOW MUCH DO I NEED TO SAVE FOR RETIREMENT?

Ensure your money works effectively to enjoy retirement on your own terms

14 THE IMPORTANCE OF DRAFTING A WILL

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WELCOME TO THE LATEST ISSUE OF THORNTONS WEALTH MAGAZINE.

Welcome to the July 2024 issue of *Thorntons Wealth's* monthly e-zine newsletter.

Around one in five grandparents over the age of 50 in the UK provide childcare help for their grandchildren, but thousands may be missing out on a valuable scheme that could increase their State Pension entitlement. Soaring childcare costs mean many parents turn to grandparents to look after their children when they return to work. This helps them and has important financial benefits for grandparents, even if they aren't paid for the childcare they provide. Grandparents who care for grandchildren may be able to claim National Insurance (NI) credits to potentially increase their State Pension by thousands of pounds over the course of retirement.

Since 2015, individuals over the age of 55 with defined contribution (DC) pension pots have enjoyed full freedom to decide how to manage their pensions; purchasing an annuity (a guaranteed income for life) is no longer mandatory. More than 221 people fully withdrew a pension pot of £250,000 or more between October 2022 and March 2023, resulting in a tax bill of at least £97,500 each, according to new analysis of FCA figures. Following the reduction of the 45p rate of tax from £150,000 to £125,140 from April 2023, a pot of £250,000 withdrawn in the current tax year (2024/25) would lead to a tax bill of at least £98,700 each – over £1,000 more.

Trusts are a powerful tool for estate planning, providing flexibility and control over asset distribution. Properly structured, they can address various scenarios and requirements, ensuring that your legacy is managed according to your wishes long into the future. Trusts separate assets' legal ownership from their beneficial ownership. The legal owner holds the title and is empowered to deal with and administer Trust assets, while the beneficial owner – as the name suggests – derives the benefit from them. This could be in terms of usage, income from those assets or sale proceeds.

How you invest in your 50s could significantly impact your quality of life in retirement. While there is still time to increase your retirement savings, a seemingly simple mistake could derail your plans. This is where

obtaining professional financial advice becomes crucial. With retirement now in sight, as you approach this milestone, ensuring your money works effectively will allow you to enjoy retirement on your own terms. 'Saving enough for retirement' has likely been on your list of financial goals for some time, but now is the moment to become more specific. Knowing exactly how much you need to save will give you a concrete target.

Many people still lack a properly organised estate plan despite the numerous benefits of writing a Will – such as getting our finances in order, planning our legacy and ensuring that our loved ones are well looked after. By taking the proactive step to draft a Will, you can protect your family from uncertainty and potential conflicts, ensuring that your legacy is preserved according to your exact intentions. If you haven't done so already, now is the time to prioritise this important task and secure the future for those you care about most.

We hope you enjoy this issue and find the articles featured interesting.

You can also forward this e-zine newsletter to someone else you know who would like to receive a complimentary copy.

Best Wishes,

Thorntons Wealth

The content of the articles featured in this publication is for your general information and use only and is not intended to address your particular requirements. Articles should not be relied upon in their entirety and shall not be deemed to be, or constitute, advice. Although endeavours have been made to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No individual or company should act upon such information without receiving appropriate professional advice after a thorough examination of their particular situation. We cannot accept responsibility for any loss as a result of acts or omissions taken in respect of any articles. Thresholds, percentage rates and tax legislation may change in subsequent Finance Acts. Levels and bases of, and reliefs from, taxation are subject to change, and their value depends on the individual circumstances of the investor. The value of your investments can go down as well as up, and you may get back less than you invested. Past performance is not a reliable indicator of future results.

CARING FOR GRANDCHILDREN

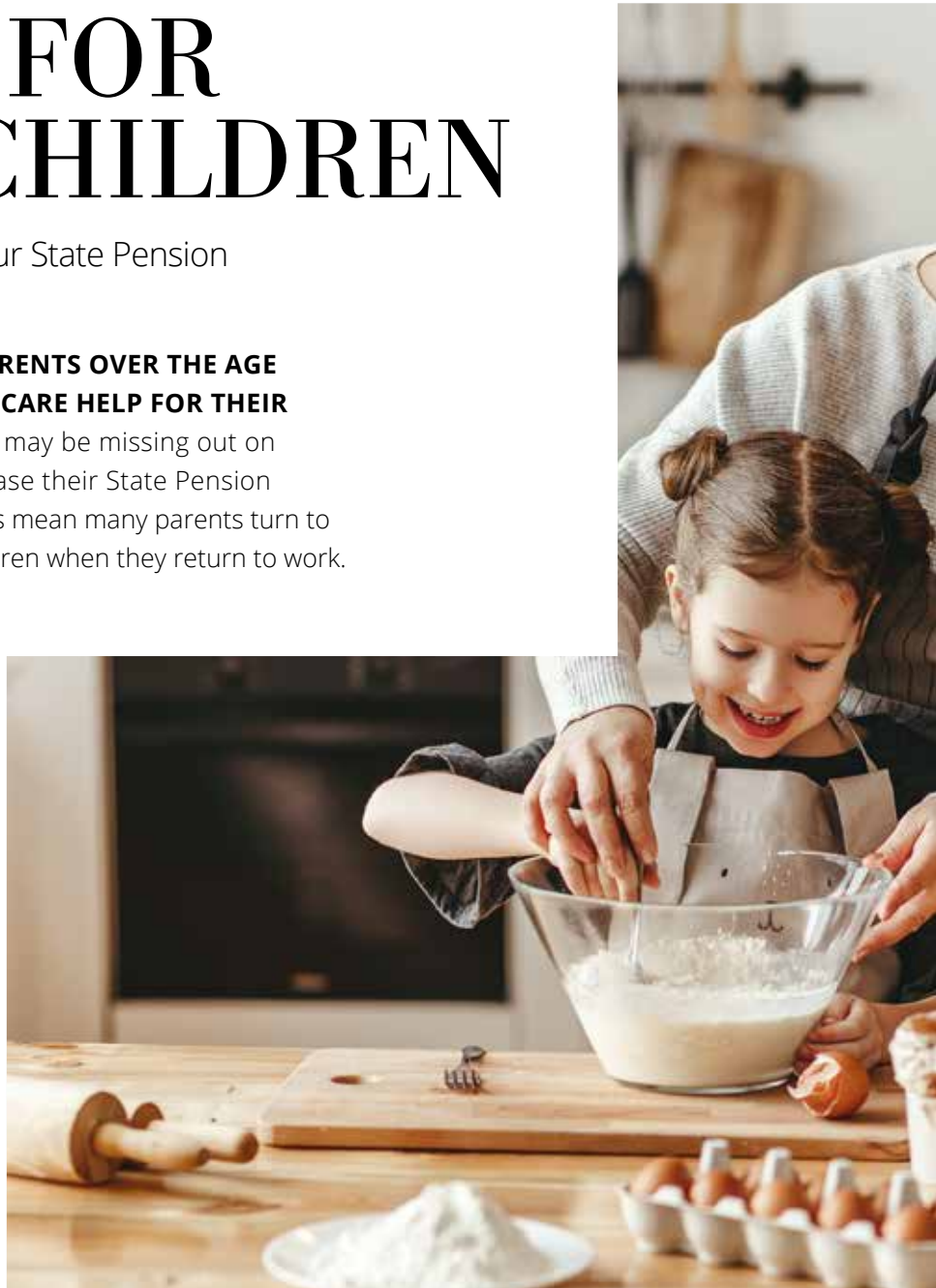
How it can help you boost your State Pension

AROUND ONE IN FIVE GRANDPARENTS OVER THE AGE OF 50 IN THE UK PROVIDE CHILDCARE HELP FOR THEIR GRANDCHILDREN, but thousands may be missing out on a valuable scheme that could increase their State Pension entitlement^[1]. Soaring childcare costs mean many parents turn to grandparents to look after their children when they return to work.

This helps them and has important financial benefits for grandparents, even if they aren't paid for the childcare they provide. Grandparents who care for grandchildren may be able to claim National Insurance (NI) credits to potentially increase their State Pension by thousands of pounds over the course of retirement.

The charity Age UK has highlighted around five million people currently provide regular care for their grandchildren. According to the latest figures from HM Revenue & Customs revealed by a Freedom of Information request, around 21,000 people applied for Specified Adult Childcare credits last year, and 17,000 qualified.

HOW TO APPLY FOR SPECIFIED ADULT CHILDCARE CREDITS





The process of claiming these credits involves transferring them from the child's parent to the grandparent providing the care. This can ensure that grandparents do not miss out on valuable State Pension entitlements.

It's essential for grandparents to be aware of this opportunity and to take the necessary steps to apply for these credits. The application process is straightforward but requires understanding the specific eligibility criteria and documentation needed.

POTENTIAL IMPACT ON RETIREMENT INCOME

By claiming these NI credits, grandparents can see a significant boost in their State Pension over time, which can provide greater financial security in retirement. The increase in pension can make a substantial difference, especially given the rising cost of living and other financial pressures retirees face.

Understanding the long-term benefits and taking action to claim these credits can ensure that grandparents are adequately compensated for the vital support they provide to their families.

CLAIMING SPECIFIED ADULT CHILDCARE CREDITS

Grandparents or relatives who assist with childcare must complete a form to claim Specified Adult Childcare credits. The child's parent must also sign the document to confirm that you provided care during a specific period and agree to transfer their credits to you.

Please note that only one credit can be claimed per household. Therefore, you can only claim once if you care for two children in the same household. However, if you look after children from different families, you can make multiple claims.

HOW THE SCHEME WORKS

Once you have completed the relevant form, the Specified Adult Childcare scheme transfers NI credits from a parent who does not need them to a grandparent or family member providing the care. These credits can help fill gaps in your NI records. However, it's important to note that this scheme cannot be used if you are over State Pension age.

If you are a working grandparent, you will not require NI credits as you should already receive 'qualifying years' on your NI record, which is subject to earnings. Additionally, there is no minimum number of hours you need to have looked after your grandchildren to be eligible for credits. You could benefit from the scheme if you cared for them all week or just one day a week.

During the coronavirus lockdowns, if you cared for your grandchildren via video or telephone, you can still apply for credits for the tax years 2019/20 and 2020/21 despite being unable to do so in person due to government restrictions. ■

LOOKING FOR FINANCIAL PLANNING FOR THE LIFE YOU WANT TO LIVE?

If you require further information, we'll help you put the right pieces together for your future. Please contact us for more detailed guidance.

Source data:

[1] Age UK 08/05/24.

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BRITAIN'S BIGGEST PENSION TAXPAYERS

How to make sure you avoid becoming one

SINCE 2015, INDIVIDUALS OVER THE AGE OF 55 WITH DEFINED CONTRIBUTION (DC) PENSION POTS HAVE ENJOYED FULL FREEDOM TO DECIDE HOW TO MANAGE THEIR PENSIONS;

purchasing an annuity (a guaranteed income for life) is no longer mandatory. More than 221 people fully withdrew a pension pot of £250,000 or more between October 2022 and March 2023^[1], resulting in a tax bill of at least £97,500 each^[2], according to new analysis of FCA figures.

Following the reduction of the 45p rate of tax from £150,000 to £125,140 from April 2023, a pot of £250,000 withdrawn in the current tax year (2024/25) would lead to a tax bill of at least £98,700 each – over £1,000 more. In the same period, October 2022 to March 2023, 1,537 people fully encashed a pot of between £100,000 and £249,000, leading to a minimum £27,400 tax bill for each person.

Someone fully withdrawing a pot of £174,500, the middle point of that range, would have paid at least £63,500 in 2022/23 and a minimum of £64,700 now. These figures only consider the pension – people with other sources of income at the time of withdrawal would pay even more tax.

PAYING SIGNIFICANT AMOUNTS OF TAX TO ACCESS PENSIONS

This is because when people fully encash their pension, HMRC taxes anything above their 25% tax-free pension cash as income, subject to the LSA position of the individual, so it's taxed like an ongoing salary. The analysis shows there

are hundreds of people out there paying significant amounts of tax to access their pensions. It's impossible to know whether their circumstances warranted them being subject to a big tax hit, but for most people, it's something you'll want to avoid.

It's important to remember that most pension income is subject to tax, like other income. Fully encashing a large pot will almost always mean a very large tax bill, sometimes taking away many years' worth of savings. Often, when people fully withdraw their pension, it is simply to move the money to their bank account. Not only does this mean their savings become eligible for tax, but they're also potentially giving up investment returns.

WITHDRAWING RETIREMENT SAVINGS MORE TAX-EFFICIENTLY

The good news is that there are ways to make withdrawing your retirement savings more tax-efficient, and it's possible to spread your withdrawals over many years, which can be more efficient. Taking just one option at retirement, such as cash or an annuity, could mean you miss out on an opportunity to maximise tax efficiency and consider your financial needs in the round.

It's worth considering a 'mix and match' approach to your retirement income, which could help you achieve the best of all worlds – you could, for example, annuitise a portion of your pension fund to cover essential outgoings and leave the rest in drawdown to access as and when you need it. Annuitising is the process of converting a lump sum of money into a stream of regular payments that are made over a specified period of time. Be sure to speak to your pension provider about your options, and we'd strongly recommend seeking advice or guidance when taking your pension.

HOW MUCH TAX WILL I PAY ON MY PENSION POTS?

First, most individuals will receive 25% of their pension pot tax-free, while the remaining 75% is taxable. The amount of tax payable on that 75% depends on factors such as your tax code, the amount you withdraw at a time and whether you have any other income sources.

It is important to remember that the total amount you can typically take tax-free across all your pension pots is now £268,275 unless you have specific protections in place. Most people cannot access their pension

pots until they reach age 55 (rising to 57 on 6 April 2028).

UNDERSTANDING YOUR PERSONAL ALLOWANCE

Everyone is entitled to a tax-free Personal Allowance each tax year, just like when working. For the 2024/25 tax year, the Personal Allowance is £12,570, which has been frozen at this level for several years. Any amount above this will be taxed as earned income according to your tax band. The simplest way to avoid paying excessive tax is to ensure you do not withdraw more from a pension pot than necessary. Taking it in small, regular amounts could help keep your tax bill down.

Remember, you only pay Income Tax on anything over your Personal Allowance. Therefore, if a pension pot is your sole income source, you could withdraw £12,570 from it each tax year without paying any tax. Conversely, taking large lump sums in the same tax year (outside of your 25% tax-free entitlement) could push you into a higher tax bracket.

COMBINING TAX-FREE WITH TAXABLE WITHDRAWALS

You do not necessarily need to take all of your tax-free lump sum at once. Often, you can take it in chunks over several months or years, provided your pension plan allows this. For instance, you could withdraw from the taxable portion of your pot and top it up with some of your tax-free amount.

EXPLORING ISAS AS AN INCOME SOURCE

Unlike your pension pots, savings in your Individual Savings Accounts (ISAs) are generally not taxed upon withdrawal. You can contribute up to £20,000 in the 2024/25 tax year (across all your ISAs) and will not pay tax on withdrawals or gains. If you have savings in an ISA, consider using them to supplement your pension income to help reduce your tax burden. Alternatively, you could use your ISA to cover your entire retirement income before touching your pension.

For some, the early years of retirement can be more costly, necessitating a higher income. Hence, using tax-efficient withdrawals from your ISA to cover this period might be

sensible. As you age and settle further into retirement, your expenses may decrease. Perhaps you have paid off your mortgage, enjoy less expensive hobbies or your children no longer rely on you financially. This could mean you can eventually afford to live off a more modest pension income, thus reducing your tax liability. ■

READY TO DISCUSS HOW TO MANAGE YOUR PENSION EFFICIENTLY?

For further information and personalised advice on managing your pension withdrawals efficiently, please contact us so we can guide you in the most appropriate way for your unique situation.

Source data:

[1] Retirement income market data 2021/22 | FCA

[2] Calculated using Which's tax calculator, Income Tax calculator and salary calculator for 2024/25, 2023/24 and 2022/23 – Which? Figures rounded to the nearest £100.

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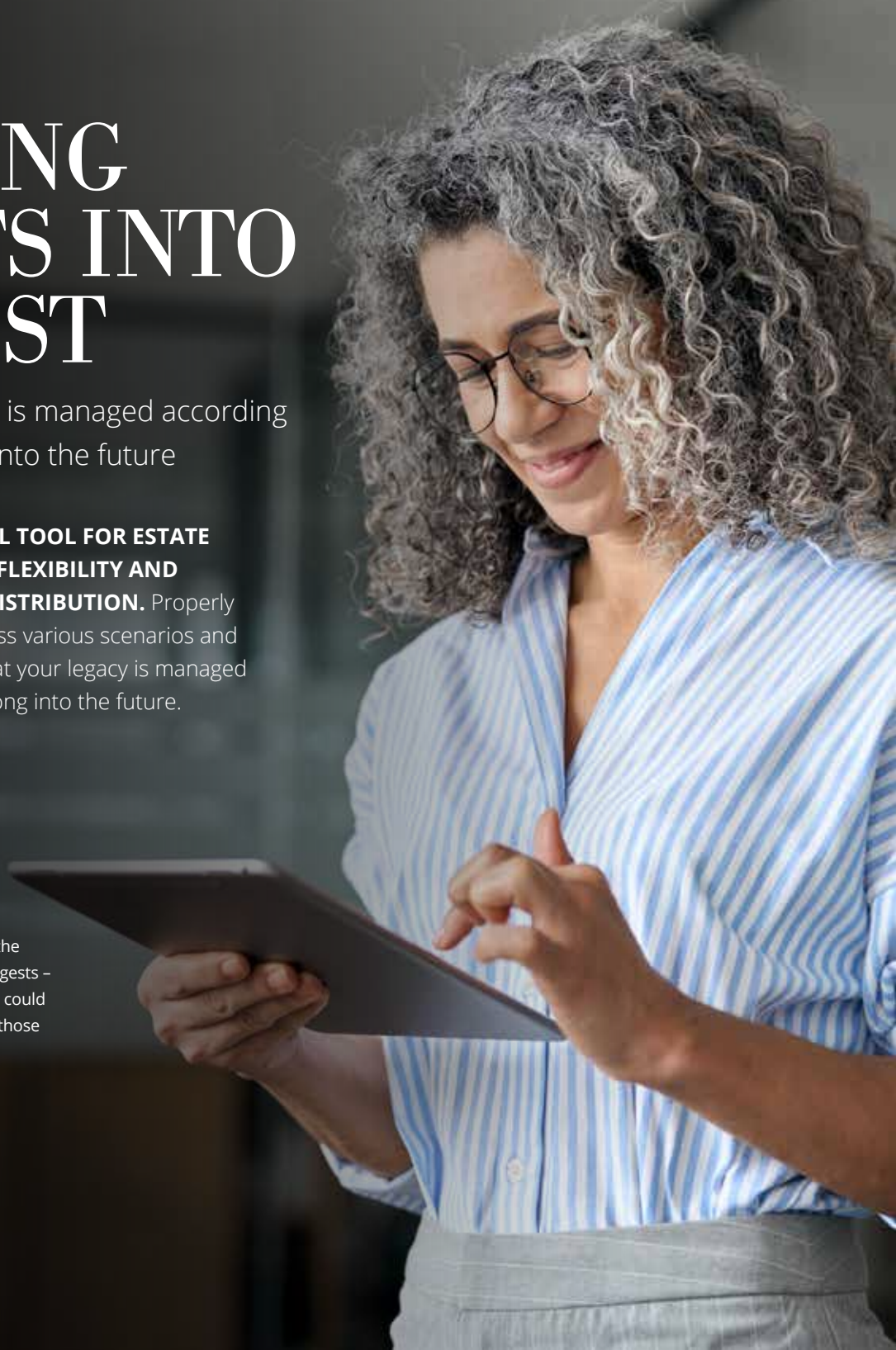
PLACING ASSETS INTO A TRUST

Ensuring your legacy is managed according to your wishes long into the future

TRUSTS ARE A POWERFUL TOOL FOR ESTATE PLANNING, PROVIDING FLEXIBILITY AND CONTROL OVER ASSET DISTRIBUTION. Properly structured, they can address various scenarios and requirements, ensuring that your legacy is managed according to your wishes long into the future.

Trusts separate assets' legal ownership from their beneficial ownership.

The legal owner holds the title and is empowered to deal with and administer Trust assets, while the beneficial owner – as the name suggests – derives the benefit from them. This could be in terms of usage, income from those assets or sale proceeds.



GAINING CONTROL THROUGH TRUSTS

A person known as the 'settlor' places assets into a Trust, which may include money, property or other types of assets like life insurance policies and investment portfolios. This may be done during their lifetime (a Lifetime Trust) or can be triggered by death through a valid Will (a Will Trust). By placing the assets into this structure, the original owner may relinquish some of their rights and delegate responsibility to a trustee during their lifetime.

However, they can gain a lot more control in other ways. A settlor can project their wishes years into the future. Provided a Trust is set up correctly, you can determine who gets what and when with a good deal of precision. Trustees can be professionals (who work for a Trust company) or any other competent person prepared to take on these responsibilities.

VERY WIDE-RANGING POWERS AND TASKS

Trustees can have very wide-ranging powers and tasks, including settling tax bills and hiring investment management and legal professionals. If the Trust is discretionary, meaning they have discretion regarding the distribution of assets, they might also have to make certain decisions about how to use the Trust income and/or capital.

For these reasons, many prefer to have their Trust administered by professionals, paying them annual fees from the Trust's assets. However, others looking to structure family wealth may appoint a mixture of professional and family friend trustees to create a balance of objectivity and personal

knowledge of the beneficiaries' situations and needs.

EMOTIONAL ASPECTS OF TRUST MANAGEMENT

Combining professional expertise with personal familiarity can ensure that both the technical and emotional aspects of Trust management are adequately addressed. Professional trustees bring technical know-how and impartiality, while family friends may offer deeper insight into the beneficiaries' circumstances.

By thoughtfully selecting trustees, you can achieve effective and empathetic management of your Trust, ensuring that your wishes are fulfilled as intended. A blend of professional and personal trustees can provide a balanced approach, safeguarding the beneficiaries' financial and personal interests.

TYPES OF TRUSTS

Various types of Trust are available, and the settlor needs to decide which type is best suited for the circumstances.

A QUICK SUMMARY OF THE PRINCIPAL TYPES OF TRUST IS AS FOLLOWS:

Bare/Absolute Trusts – Where the settlor transfers the legal ownership of assets to the Trustee for the benefit of the beneficiary absolutely.

Interest in Possession Trusts – The beneficiary (or sometimes known as 'life tenant') holds a right to the Trust fund's income or the right to use Trust assets. The remainderman's (the person who receives the property after the death of the life tenant) entitlement relates to the underlying capital.

Discretionary Trust – This arrangement gives trustees flexibility and control over how best to use the Trust assets for the benefit of the beneficiaries. This flexibility helps in situations where children or grandchildren may not yet be born at the time the Trust is set up, as they would therefore automatically be included as a beneficiary.

Note that these are just a few examples; many other types of Trust can be used under different circumstances.

TAX PLANNING AND TRUSTS

It'll be of no surprise that one of the main reasons for using Trusts is for tax planning and mitigation. For example, when an individual dies, their estate (i.e., net assets) is subject to Inheritance Tax (IHT), meaning the beneficiaries may lose up to 40% of their net inheritance.

If assets are put into trust during a settlor's lifetime and they survive seven years, they are not part of the estate on death and may escape IHT at that time subject to the 14-year rule not being invoked. Trusts are used in certain IHT planning arrangements for the settlor's benefit, such as Gift and Loan plans, Discounted Gift Trusts and Flexible Reversionary Trusts.

TRUSTS IN WILLS

Trusts are frequently created in Wills, particularly where the beneficiaries are minor children who need someone to look after them financially. Any asset left to a minor under a Will is effectively held in trust for the minor by the executors until the minor reaches majority unless the Will allows payment to be made to a parent.

Trusts can be explicitly created in Wills to ensure that a beneficiary does not benefit until some other age is attained or a condition is fulfilled. There are many other reasons for setting up Trusts, notable examples being to provide a pension, provide for families, assist a

charity, give property to those who legally cannot hold it, and gain protection from creditors and business protection. ■

ARE YOU LOOKING TO OPTIMISE YOUR RETIREMENT PLANNING?

If you require further information or personalised advice on setting up a Trust, please contact us. We're ready to assist you in navigating the complexities of Trust administration and estate planning.

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THE FINANCIAL CONDUCT AUTHORITY DOESN'T REGULATE TRUST PLANNING AND MOST FORMS OF INHERITANCE TAX (IHT) PLANNING. SOME IHT PLANNING SOLUTIONS PUT YOUR MONEY AT RISK, AND YOU MAY GET BACK LESS THAN YOU INVESTED. IHT THRESHOLDS DEPEND ON INDIVIDUAL CIRCUMSTANCES AND THE LAW. TAX AND IHT RULES MAY CHANGE IN THE FUTURE.

THE VALUE OF YOUR INVESTMENTS CAN GO DOWN AS WELL AS UP, AND YOU COULD GET BACK LESS THAN YOU INVESTED.



HOW MUCH DO I NEED TO SAVE FOR RETIREMENT?

Ensure your money works effectively to enjoy retirement on your own terms



HOW YOU INVEST IN YOUR 50S COULD SIGNIFICANTLY IMPACT YOUR QUALITY OF LIFE IN RETIREMENT. While there is still time to increase your retirement savings, a seemingly simple mistake could derail your plans. This is where obtaining professional financial advice becomes crucial.

With retirement now in sight, as you approach this milestone, ensuring your money works effectively will allow you to enjoy retirement on your own terms.

CLARIFY YOUR GOALS

'Saving enough for retirement' has likely been on your list of financial goals for some time, but now is the moment to become more specific. Knowing exactly how much you need to save will give you a concrete target. This amount will depend on factors such as your intended retirement age, your retirement plans, projected investment growth and inflation.

A financial adviser can demonstrate how long your savings may last in retirement, helping you understand if you need to adjust your goals or savings habits.

REVIEW YOUR INVESTMENT PORTFOLIO

When you are in your 50s and nearing retirement, ensuring that your investment portfolio maintains a suitable balance between risk and reward is important. The right level of investment risk depends on how you intend to fund your retirement and how far away your target retirement date is.



For those planning to buy an annuity in a few years, moving your pension fund from stocks to lower-risk assets such as cash may be wise. This strategy helps protect your pension pot from potential stock market crashes just before you need it.

MAINTAIN GROWTH POTENTIAL WITH DIVERSIFIED ASSETS

If you plan to fund your retirement through income drawdown or other savings and investments, moving into cash too early could mean your money does not last as long as required. Retaining some exposure to stocks allows your portfolio the opportunity for long-term growth. Considering that your retirement could span several decades, inflation will inevitably erode the real value of your savings and reduce your purchasing power.

One way to mitigate the impact of rising prices is to remain invested in the stock market. Historical data shows that the stock market generally outperforms cash over long periods and exceeds the inflation rate. Diversifying your investments across various asset classes can help your portfolio withstand stock market fluctuations.

FOCUS ON YOUR PENSION

Pensions are an exceptionally efficient method of saving for retirement, particularly when you're in your 50s. This is largely due to the tax relief you receive on personal pension contributions. For instance, a £1,000 pension contribution costs just £800 if you're a basic rate taxpayer, £600 if you're a higher rate

taxpayer or £550 if you're an additional rate taxpayer. Tax relief is essentially free money from the government, significantly enhancing your retirement savings.

Most individuals can contribute up to 100% of their UK relevant earnings or £60,000, or £3,600 if there are no relevant earnings (whichever is lower) into pensions yearly while still benefiting

to maximise unused allowances from the previous three tax years under carry-forward rules. This strategy can considerably enhance your retirement savings by utilising every available tax benefit.

MAKE THE MOST OF YOUR TAX ALLOWANCES

There are numerous other tax allowances investors can utilise. For instance, you can invest up to £20,000 (tax year 2024/25) into Individual Savings Accounts (ISAs) to benefit from tax-efficient income and growth.

You can withdraw money from ISAs whenever you desire without incurring any tax; this makes ISAs a useful source of income for those retiring before age 55 (the current earliest age at which you can access your pension subject to health and certain occupations). Additionally, ISAs form an integral part of a tax-efficient retirement income portfolio.

OTHER ALLOWANCES TO CONSIDER

Other allowances include the personal savings allowance, dividend allowance and Capital Gains Tax exemption. You can earn up to £1,000 a year in interest without paying tax if you're a basic rate taxpayer. If you are a higher rate taxpayer, you can earn £500 a year without paying taxes. Additional rate taxpayers don't receive any allowance at all.

The annual Capital Gains Tax-exempt amount from 6 April 2024 is £3,000. If the total of all gains and losses in the tax year fall within this exempt amount, no tax will be payable. Gains above the annual exemption will be taxable. The exempt amount cannot be carried back or forward. The unused amount is lost if it's not used, in part or full. ■

TIME TO OPTIMISE YOUR PENSION AND MAKE THE MOST OF AVAILABLE TAX ALLOWANCES?

Please contact us for more detailed advice on optimising your pension and making the most of available tax allowances. We are ready to help you navigate the complexities of retirement planning and ensure you achieve a financially secure and comfortable retirement.

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from tax relief until age 75. However, it is important to remember that your pension annual allowance could be lower if you have a very high income or have triggered the MPAA.

MAXIMISING UNUSED ALLOWANCES

If you wish to save more than your annual allowance, it might be possible

A photograph of a man with a grey beard and a blue button-down shirt over a white t-shirt. He is looking towards another man whose back is to the camera. The man in the foreground is holding a pen and a notepad. The background is a plain wall with a framed picture.

THE IMPORTANCE OF DRAFTING A WILL

Protect your family from uncertainty
and potential conflicts



MANY PEOPLE STILL LACK A PROPERLY ORGANISED ESTATE PLAN DESPITE THE NUMEROUS BENEFITS OF WRITING A WILL – such as getting our finances in order, planning our legacy and ensuring that our loved ones are well looked after.

By taking the proactive step to draft a Will, you can protect your family from uncertainty and potential conflicts, ensuring that your legacy is preserved according to your exact intentions. If you haven't done so already, now is the time to prioritise this important task and secure the future for those you care about most.

A WAY TO GET ASSETS IN ORDER

Making a Will often prompts a financial review. It typically identifies gaps in people's financial planning – often inadequate life assurance or disability income benefit cover. If they're in an occupational pension scheme, they may need to update their nomination of beneficiaries form.

Without a Will, Intestacy laws determine who inherits your estate and in what order. If you don't have a valid Will, then effective state legislation steps in and provides a series of rules which you may not wish to apply to your assets and

your family. It's also relatively inexpensive compared to the problems you can create for your family without making a Will.

SPECIFYING SENTIMENTAL GIFTS IN YOUR WILL

We dedicate much of our lives to working hard to provide for ourselves and our loved ones. As we accumulate assets and cherished possessions over time, it becomes crucial to ensure that they are distributed according to our wishes when we are no longer around. Importantly, the gifts mentioned in a Will do not need to be limited to property or cash.

They can also include sentimental items with significant emotional value but less material worth. These could be family heirlooms, personal mementoes or any treasured possessions that we wish to pass down to future generations. By specifying these sentimental gifts in our Will, you ensure that these meaningful items are handed down to those who will appreciate them most.

LEAVE MONEY TO A GOOD CAUSE

While family and friends are likely to be the first considerations when writing a Will, many people also take the opportunity to give a helping hand to causes close to their hearts. For many charities, gifts in Wills account for a significant amount of their income.

Without these legacies, much of their work would not be possible. Leaving money to charity could also cut your Inheritance Tax bill. Some charities will even help you write a Will if you leave them a donation. By leaving 10% of the value of your net estate to a charity, you could reduce Inheritance Tax payable on some of your assets from 40% to 36%.

YOU CHOOSE THE LEGAL GUARDIANS

A Will allows you to appoint one or more legal guardians for children aged under 18. Your chosen guardians will take over the role of bringing up the children on your behalf. This ensures you remain

in control and entrust this significant responsibility to people you deeply trust.

In addition, having a Will grants you the peace of mind that comes with knowing your children's future is secured. By choosing guardians, you ensure they are cared for by individuals who share your values and vision for their upbringing.

YOU CHOOSE THE EXECUTORS

Choosing your own executor, the individual responsible for implementing the terms of your Will, can ensure that your estate is distributed by someone you trust. You can appoint people you know and rely on to be your executors and manage your estate. Alternatively, you can appoint professionals to serve as your executors.

An executor plays a crucial role in managing your affairs posthumously, ensuring that your wishes are carried out accurately and efficiently. This includes settling debts, distributing assets and handling other legal matters related to your estate.

YOU ENSURE PARTNERS ARE LOOKED AFTER

There's a common misconception that the rules provide for a 'common-law' husband or wife. If you're unmarried or in a registered civil partnership and don't have a Will, your partner won't inherit anything under the laws of intestacy. A Will ensures that couples who live together but aren't married or in a registered civil partnership can leave their assets to each other.

Taking out a life insurance policy can further ensure that your family is financially secure. Life insurance can serve as a safety net, providing financial support to your loved ones in the event of your passing.

A WILL SHOULD BE UPDATED

A Will should be reviewed at least every three years and whenever there's a significant

life event, such as the birth of a child or when children become adults. Keeping your Will up to date ensures that it reflects your current wishes and circumstances.

Amending a Will is straightforward – you can rewrite parts of it with something called a 'codicil'. This allows you to make minor adjustments without drafting a completely new document.

PEACE OF MIND

Making a Will can relieve a considerable burden on your mind. Completing a properly arranged Will provides peace of mind, knowing that your assets will be distributed according to your wishes. Writing a Will places you in the driver's seat for many important decisions, impacting not just your life but also those of your family and friends.

Once written, many people feel great relief, especially when they can cross it off their 'to-do' list. However, remember to update it as needed to ensure it remains relevant.

LOOKING TO DRAFT OR UPDATE AN EXISTING WILL?

Please contact us for further information on drafting a comprehensive Will and safeguarding your legacy for future generations. Whether you're just beginning the process or looking to update an existing Will, we'll help you navigate every step confidently and easily.

THIS ARTICLE DOES NOT CONSTITUTE TAX, LEGAL OR FINANCIAL ADVICE AND SHOULD NOT BE RELIED UPON AS SUCH. AND SHOULD NOT BE RELIED UPON AS SUCH. TAX TREATMENT DEPENDS ON THE INDIVIDUAL CIRCUMSTANCES OF EACH CLIENT AND MAY BE SUBJECT TO CHANGE IN THE FUTURE. FOR GUIDANCE, SEEK PROFESSIONAL ADVICE.

