



Balance:
Wealth Planning



Your Legacy, Your Way

A guide to navigating Inheritance Tax and
protecting what matters most to you

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How do you feel about Inheritance Tax?



Whether you want to leave a legacy, support your family, or enjoy your wealth while you can, it starts with a plan.

Inheritance Tax (IHT) can feel like an unavoidable part of life – a cost for success, a price on legacy. But with the right planning, it doesn't have to be. This guide is designed to help you understand the options available, when they might be right for you, and how to reduce or manage your IHT liability in a way that reflects your values, family, and goals.



Take a moment to reflect



Everyone feels a little differently about inheritance tax.

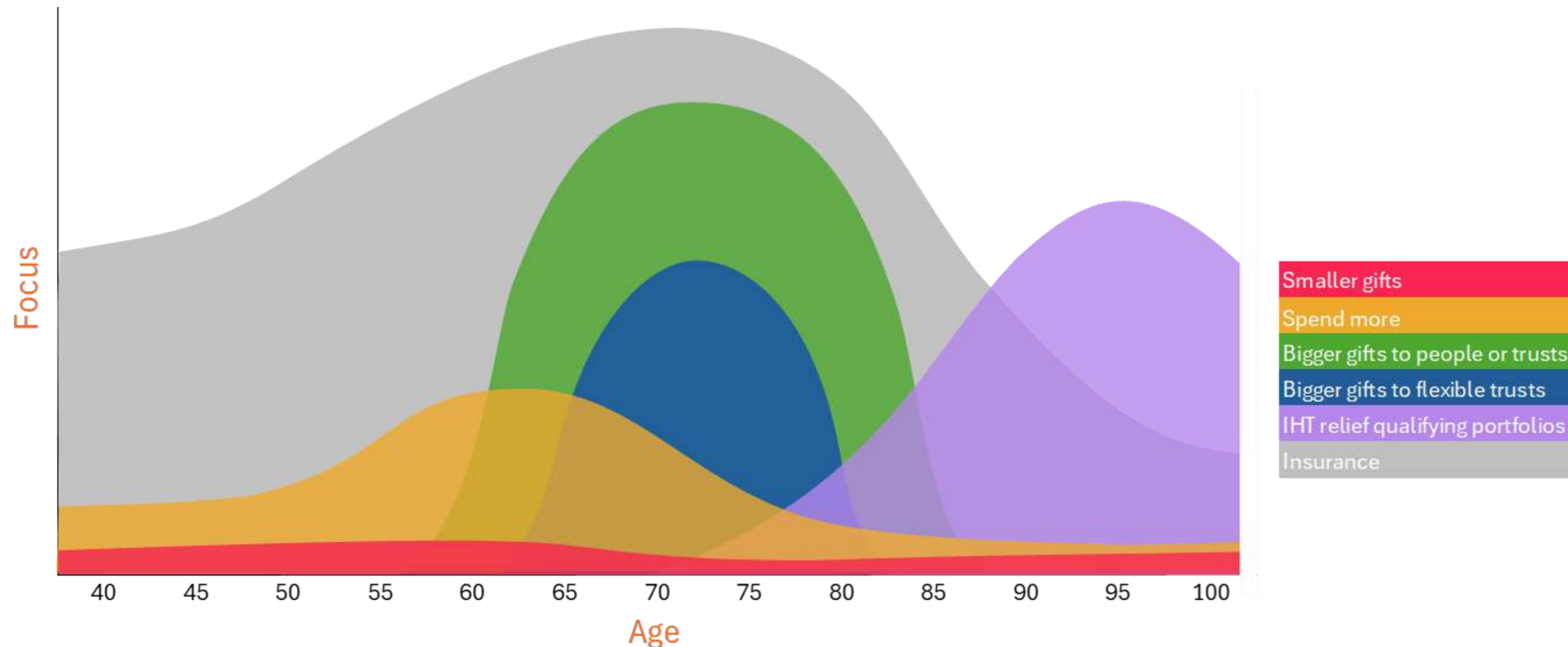
Wherever you are on this scale, you're not alone. The important thing is that you've started thinking about it - and that's where we can help.

Exploring your options


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Every IHT strategy has pros and cons. The key is understanding what matters most – impact, control, flexibility, or peace of mind.



Your options in more detail



Strategy	Conditions	Benefits	Effective	Access	Control	Fees /costs
Small gifts	£3,000 a year per giver. Wedding gifts £1,000 - £5,000.	Flexible every year. See the recipient enjoying your gift.	● Immediately	● You can't ask for it back.	● No control over what happens to the gift.	● None
Gifts to charities in your lifetime	No limits.	Flexible year to year. Feel you are making a difference.	● Immediately	● You can't ask for it back.	● No control over what happens to the gift.	● None
Gifts to charities in your will	Must leave at least 10% of net estate to registered charities.	Reduced tax from 40% to 36%.	N/A	N/A	● Full control over the charities you choose.	● Legal fees for Will
Gifts from excess income	Must be affordable from your income, regular and 3 years +	Can see the recipient enjoying your gift.	● Immediately	● You can't ask for it back.	● No control over what happens to the gift.	● None
Spend more	Increased spending must be sustainable.	More treats and memorable experiences for you.	● Immediately	● Once spent, it's gone.	● Full control over how you spend your money.	● None
Bigger personal gifts	Must be affordable.	Can see the recipient enjoying your gift.	● After 7 years	● You can't ask for it back.	● No control over what happens to the gift.	● None
Bigger gifts to trusts	Must be affordable. Gifts over available nil rate band (£325,000) taxed at 20%	Discretionary Trusts can buy assets or lend money to benefit your family.	● After 7 years	● You can't ask for it back.	● Full control over Trust in lifetime. Wishes respected after death.	● Fees to set up and administer Trust.
Bigger gifts to flexible trusts	Gifts over available nil rate band (£325,000) taxed at 20%	Flexible Reversionary Trusts can release funds if needed - ideal for care costs.	● After 7 years	● Withdrawals available but conditions apply.	● Full control over Trust in lifetime. Wishes respected after death.	● Fees to set up and administer Trust and investments.
IHT relief qualifying land, or investments	Must have in place when you die. Relief capped at £1m per investor.	May be able to invest in areas of interest to you.	● 0-2 years	● Withdrawals available from liquid investments.	● Extent of control depends on the type of investment held.	● Fees to set up and administer portfolios.
Insurance	Must have in place on death. Need fair health to apply. Premiums must be affordable.	Doesn't reduce your liability but provides a lump sum to pay the tax bill quickly.	● Immediately	● Proceeds paid into Trust for beneficiaries.	● You choose trustees. Trustees control funds after your death.	● Advice costs and monthly premiums.



The rules are changing. Your planning should too.

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Recent legislation has introduced important changes to **IHT**, **CGT**, and **estate planning**, with further pension changes due from April 2027.

Key changes:

- IHT Relief on Business Assets – 100% relief capped at £2.5m per individual, then 50% relief thereafter
- CGT on asset sales – CGT rates increased to 18% and 24%, depending on tax band
- CGT on business sales – Business Asset Disposal Relief remains capped at £1m, with the tax rate now increasing to 18%
- Stamp Duty on Second Homes – The surcharge on additional properties is now 5%
- Unused pension funds will fall within the estate for inheritance tax purposes from April 2027

Let's talk about your plan.

Whether you're just starting or reviewing an existing strategy, we can help you explore your options and create an IHT plan that reflects what matters to you.

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