

IHT mitigation using exemptions and reliefs

The simplest way to mitigate IHT is to make use of “DIY” exemptions and reliefs (the spouse exemption; (also available to those who have entered into a Civil Partnership); the annual gifts exemptions; gifts in consideration of marriage or Civil Partnership and gifts to charities etc).

For larger gifts and more sophisticated IHT planning involving the use of trusts and/or the more complex exemptions and reliefs, it is advisable to take professional advice.

Examples of situations where we can help include use of:

- IHT nil rate band exemption via lifetime gifts (outright or into trust) and/or nil rate band legacies in wills.
- Normal expenditure out of income exemption via regular gifts (outright or into trust).
- Business property and/or agricultural property reliefs via lifetime gifts (outright or in trust) and/or legacies in wills.
- Business property relief via investment in Alternative Investment Market (AIM) shares.
- IHT life policies
- Loan trusts
- Discounted gift schemes
- Equity release

Please contact Paul Tobias for more information.

This fact sheet is for general guidance purposes only. Appropriate professional advice should be sought before any course of action is pursued.

This is one of a number of fact sheets produced by Hart Brown on legal topics of general interest. If you wish to find out about other fact sheets in the series, please contact the person dealing with your matter.