

SALES  
AID

# Protecting your assets from Inheritance Tax

Inheritance Tax is usually paid on an estate when somebody dies. It is also sometimes payable on Trusts or gifts made during someone's lifetime.

**i** Current threshold for individual **£325,000**

**i** Tax rate over the threshold **40%**

The information in this document does not constitute advice and any actions arising should be done in conjunction with your adviser.



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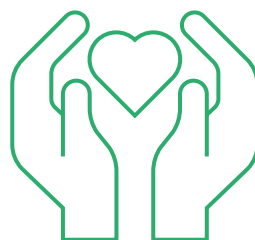
## The benefits of planning for IHT

### Reassurance



Your savings and possessions (your estate) go to the people and causes that you care about.

### Avoiding disputes between relatives



Good estate planning could help avoid future conflict between your relatives or loved ones.

### Looking after the people you care about



Being clear about how you would like your estate to be distributed can avoid unnecessary stress and worry.

### Protecting your assets for future generations



Estate planning makes sure that assets are kept within the family and are passed down through future generations. People are often concerned that new spouses or second families will inherit their assets in the future, but estate planning can prevent this.

## The steps to working out the value of your estate

Click 1 to 5 to find out more:





## Inheritance Tax exemptions and Reliefs

Sometimes, even if an estate is over the threshold, assets can be passed on without Inheritance Tax. This could be done within your lifetime as well as after your death.

Can be done:



Within your lifetime



After your death



**Spouse or civil partner exemption**



**Charity exemption**



**£3,000 annual gift exemption**



**£250 small gift exemption**



**Wedding and civil partnership gifts**



**Business, Woodland, Heritage and Farm Relief**



**Potentially exempt transfers**

If you survive for seven years after making a gift to someone, the gift is generally exempt from Inheritance Tax, no matter what the value.



Please ask your adviser for more details.

## IMPORTANT INFORMATION

The impact of taxation (and any tax reliefs) depends on an investor's individual circumstances. The information contained in this document is based on our understanding and interpretation of current UK tax law and HM Revenue & Customs practice as at April 2025. Tax law and practice may change in the future.

Chesnara Life (UK) Ltd is not responsible for any action an investor may or may not take as a result of information contained in this Guide.