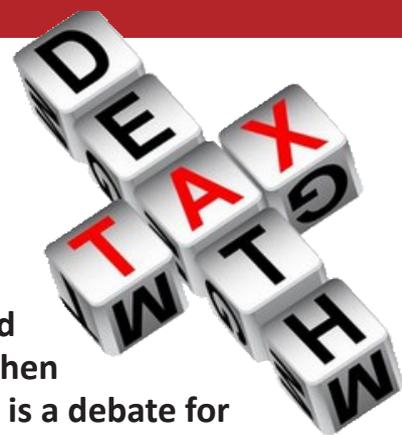


Death & Taxes



Everyone knows the old saying “there is nothing certain but death and taxes”. Historically, the only time death and taxes were related was when you were paying Inheritance Tax, a morally questionable tax, but that is a debate for another day.

For once however, HMRC have now decided to give a little bit back to us when we are contemplating our future existence on this mortal coil. There has been a recent update from HMRC regarding life insurance that you as a company owner should be made aware of.

HMRC have recently changed their stance on companies deducting critical illness policies from their tax bill. Previously tax relief was only given for simple life cover, where upon death, there would be a pay-out. This was always fine in order to leave a tax efficient legacy behind to your loved ones, but it neglected to cover the effects of not being able to work due to being diagnosed with a critical illness.

For many the thought of watching the business you strived to create and grow suddenly be rudderless without you at the helm is not a pleasant thought. Not only do you have to consider the personal financial impact to you and your family, but also the impact this will have on other lives, those of your employees.

It's easy to stick your head in the sand and think 'I'd cope, that'll never happen to me', but any of us could become ill and a critical illness policy may help to give some financial security at a difficult time, not just for your business, but you and your loved ones. If we can minimise risk and guarantee protecting not just the company you've worked so hard for, but your family, why not?

To bring this to life, for every £1 paid into a life insurance policy that is currently outside of the new legislation allowance, 49p is leaked in needless tax. Under the new legislation there is no tax loss to your business and this allows you to retain more of your profits.

Any pre-existing plans you may already have, must be reviewed in order to assess their eligibility for the tax deduction and we are happy to undertake this for you for free. Equally, if for whatever reason you've not yet sorted your insurances, we will gladly assist.

At The LowTax Group we will continue to be proactive in offering you a bespoke service, which ensures you are fully protected as a business moving forward and helps you keep what you earn. **Please do get in touch with any of the team on 01277 314000 should you wish to discuss the above issues in further detail and we will be happy to arrange a free consultation when convenient**