



Personal Tax Planning check list – 2007-2008

Updated January 2008

We now have less than 3 months to take advantage of tax planning initiatives that need to be in place before 5 April 2008. The list below is not definitive but does cover a number of issues that offer planning opportunities:

Savings:

1. Maximising ISA's for younger savers
2. Maximising ISA's for other savers
3. Appropriate redistribution of savings among family members with differing tax rates, to reduce overall tax spend.
4. Utilisation of Child Trust Funds.

Pensions:

1. Consider maximising contributions for the year
2. Non-tax payers can also contribute up to £3,600 per annum with no earnings.

Inheritance Tax:

1. Utilising available allowances and relief's to protect assets from excessive IHT risks.
2. Time to review Wills to ensure compatible wealth protection strategies.

Capital Gains Tax:

1. If appropriate make sure you utilise your Annual Exemption, £9,200, for 2007-2008.
2. Consider inter-spouse transfer of assets with "pregnant" gains if the other partner has capital losses which will not otherwise be utilised.
3. Review portfolios to consider holdings that may have negligible value for tax purposes. This offers opportunities to reduce other taxable gains in the current tax year.

Charitable Giving:

1. Consider Gift Aid donations. The same gifts made after the 5 April 2008 will result in slightly less cash benefit to charities as the tax they will reclaim on your donations will decrease from 22% to 20%.