TLPI INHERITANCE TAX • FACT SHEET

Reduce Your Inheritance Tax

When you pass away, Inheritance Tax can cost your family up to 40% of the wealth you leave them. As a business owner there are legal ways to mitigate this, protect your legacy and free up funds to invest and grow.

40%	£325k	7-year	£2.5m
Inheritance Tax rate above the nil-rate band	nil-rate band, plus £175k residence band, frozen to 2030	rule to pass gifts free of Inheritance Tax	Business Property Relief 100% cap, from April 2026

WHAT YOU CAN DO

Protect your legacy

Four legal ways business owners reduce Inheritance Tax - select any to explore it.

Reduce your Inheritance Tax

Put a tax-efficient structure in place to help reduce the 40% charge, within HMRC rules.

Inheritance Tax mitigation →

Protect and invest company profit

Move retained profits into a Family Investment Company to grow wealth and help reduce IHT over time.

How a FIC works →

Build wealth, protect your legacy

Structure your wealth so more passes to your family and less is lost to HMRC.

Wealth and succession →

Pass on shares to the next generation

Use the seven-year rule and a FIC to pass future growth to your children, while keeping control.

The FIC guide →

THE FACTS

Ten things to know about Inheritance Tax

The essentials, at a glance - including the latest changes.

1 The 40% charge

Inheritance Tax is charged at **40%** on the value of your estate above the nil-rate band.

2 The nil-rate band

GBP 325,000 per person, plus a **GBP 175,000** residence nil-rate band, frozen to April 2030.

3 Couples

Allowances transfer between spouses and civil partners - **up to GBP 1m** for a couple.

4 The seven-year rule

Gifts made **more than seven years** before death normally fall outside your estate.

5 Business Property Relief

From April 2026, 100% relief is **capped at the first GBP 2.5m** of qualifying business assets (50% above).

6 The Family Investment Company

A FIC helps pass company wealth to the next generation while **you keep control**.

7 Pensions are changing

From April 2027, most **unused pension funds fall within the estate** for IHT - so plan with up-to-date advice.

8 Protect surplus cash

Moving **surplus company cash** into the right structure helps protect it for your family.

9 Keep control

Structures like a FIC let you **reduce IHT over time** without losing control of your assets.

10 Plan early

The earlier you plan - especially gifts - the more you can mitigate, **within HMRC rules**.

HOW WE HELP

Set up and fully supported

- HMRC correspondence
- Accounting and returns
- Dedicated compliance team
- Strategy, planning and outcomes
- Establish your trusts and company
- Preparation of documents
- Dedicated consultant
- Long-term support, included in the costs

WHY TLPI

Trusted expertise, lasting impact

2004
Helping business owners build and protect wealth since 2004.

1,000+
Successful limited company owners trust TLPI.

HMRC
Registered to form trusts and companies and administer pensions.

WHERE TO GO NEXT

Explore the detail

Every link goes straight to the right place on the TLPI website.

- **Inheritance Tax mitigation** →
- **Family Investment Company** →
- **The FIC guide** →
- **Wealth and succession** →
- **Lifetime Business Tax Plan** →
- **Free guides and downloads** →

TAKE CONTROL OF YOUR FUTURE

Talk through your Inheritance Tax strategy

Book a free, no-obligation consultation and one of our experienced consultants will help you protect your legacy and reduce the Inheritance Tax your family could face.

Book your free consultation

Find out if your business is ready

Talk through your strategy

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