



# Money Matters with Les Conway

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## What will the Inheritance Tax Changes Mean to Your Family?

At the start of April we saw a very important change to the Inheritance Tax rules.

It is called the Residential Nil Rate Band (RNRB) and if you believed some sections of the media, it can cost and/or save you hundreds of thousands of pounds (depending on which newspaper you read).

I read one article which claimed the changes were a £1 Million Government giveaway. To clarify, they most certainly aren't.

The RNRB is a complex piece of legislation which at first glance gives a bigger tax allowance to people when they pass on their biggest asset to their loved ones - their main residence

I was contacted recently by a chap who had looked into the RNRB implications for his family and in his own words 'got tied up in several confusing circles'.



He's not alone. The changes were announced by the then Chancellor George Osborne in 2015.

I've spent a lot of time in the period running up to these changes learning more and how my clients can ensure they are prepared for it and plan accordingly.

So being conscious not to tie up the mass ranks of the potentially confused here's my simple three step guide to how to best understand the RNRB:-

When it comes to the RNRB, Google doesn't have the answers. I'd urge people to seek out professional advice on this issue as it is complex and if you get it wrong, has potentially serious financial consequences.

You need to understand the implications that the RNRB can have on any estate planning you may have in place. This will need to be reviewed.

No one likes thinking about their death and for many people the RNRB change won't affect them for years. But as most of us know when you put something off, it often never gets done. And this is too important to simply forget about and say you'll get round to it next month, next year or at some point in the future.

If you have any questions on estate planning, Inheritance Tax and the Residential Nil Rate Band please don't hesitate to contact me.

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