

# Personal Tax Planning

## IN 60 SECONDS

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There are a number of considerations for an individual wanting to minimise their personal tax bill for the year ahead. This fact sheet does not cover all issues and does not constitute tax advice, but seeks to highlight points to discuss with your advisor.

### Income tax

- It may be possible to preserve your personal allowance through pension contributions and qualifying charitable donations (allowance is phased out between £100-125,000)

### Capital Gains Tax (CGT)

- Everyone has an Annual Exemption of £12,300 on which no CGT is due.
- Gifts to a spouse or civil partner are usually exempt and can be used to utilise each individual's Annual Exemption

### Inheritance Tax (IHT)

- Everyone has an Annual Exemption of £3,000 on which gifts are exempt.

### Individual Savings Accounts (ISAs)

- The annual overall subscription limit is £20,000 on which Income tax and CGT do not apply

### Personal allowance and tax rates for 2021/22

- Personal Allowance - £12,570
- Tax rates
  - Basic tax rate 20% (up to £37,700)
  - Higher tax rate 40% (£37,701 to £150,000)
  - Additional tax rate 45% (above £150,000)

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## Savings and dividend allowances

- Personal savings allowance and dividend allowance offer small tax free savings.

## Tax planning

The issues identified above only cover a small part of the issues which should be considered on an annual basis. As with any tax planning the earlier you can discuss these issues with your advisor, the better, and should in most instances be discussed at least a year in advance.

## About Roake & Cook Limited

Roake & Cook Limited was founded to help business owners. With over 20 years experience of working with small and medium sized enterprises, we are able to offer advice and support to help your business thrive and grow.

### Our services include:

- ✓ Bookkeeping
- ✓ Payroll
- ✓ Cloud migration
- ✓ Accounts and Tax Returns
- ✓ Management reporting

## How can we help your business?

Contact Roake & Cook Limited for a free consultation on whether your business can benefit from the services we offer.

Call us on 07944855189

Email us at [admin@roakeandcook.co.uk](mailto:admin@roakeandcook.co.uk)

Visit us at [roakeandcook.co.uk](http://roakeandcook.co.uk)

