

Inheritance Tax Planning

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Protecting your wealth and preserving your legacy

Inheritance Tax (IHT) planning is about ensuring the wealth you build during your lifetime is passed on to those you care about, rather than being unnecessarily lost to tax. With careful, forward-thinking planning, it is often possible to significantly reduce potential IHT liabilities while retaining flexibility and control.

At Culver, we believe IHT planning is not about avoiding responsibility — it is about thoughtful preparation, clarity, and protecting family outcomes across generations.

Understanding Inheritance Tax

Inheritance Tax may be payable on estates above the available nil-rate bands at the time of death. While allowances exist, rising property values, long-term investment growth, and changes to family structures mean more people are affected than ever before.

IHT is charged at a significant rate, which can materially reduce the value of an estate. Without planning, families may be forced to sell assets or make difficult financial decisions at an already emotional time.

Why early planning matters

Inheritance Tax planning is most effective when started early. Many strategies rely on time to take effect, and leaving planning too late can significantly limit available options.

Early planning provides:

- Greater flexibility
- More tax-efficient options
- Improved control over outcomes
- Peace of mind for you and your family

Importantly, early planning allows decisions to be made calmly and thoughtfully, rather than under pressure.

Common IHT planning strategies

Making use of allowances and exemptions

There are a number of allowances and exemptions available, including annual gifting allowances and small gift exemptions. Used consistently, these can reduce the taxable value of an estate over time.

Lifetime gifting

Larger gifts made during your lifetime can reduce your estate, provided you survive for a qualifying period. Gifting strategies must be carefully planned to ensure they do not compromise your own financial security.

Trust planning

Trusts can be used to control how and when assets are passed on, while potentially reducing IHT exposure. Trust planning is complex and should always be undertaken with professional advice.

Pensions and death benefits

Pensions can be an effective estate planning tool, as they may fall outside of your estate for IHT purposes. Ensuring beneficiary nominations are up to date is an essential part of planning.

Life assurance

Life assurance written in trust can provide a tax-efficient way to fund potential IHT liabilities, helping beneficiaries avoid forced asset sales.

Integrating IHT planning into your wider financial strategy

Inheritance Tax planning should never be considered in isolation. It must align with:

- Your income needs
- Retirement plans
- Investment strategy
- Family circumstances
- Long-term care considerations

The priority should always be ensuring your financial security during your lifetime, while planning sensibly for the future.

Keeping plans under review

Tax legislation changes, and family circumstances evolve. Regular reviews ensure your strategy remains appropriate, compliant, and aligned with your wishes.

Our approach

At Culver, we take a measured, long-term approach to Inheritance Tax planning. We work closely with you — and where appropriate, with legal and tax specialists — to create a flexible plan that reflects your values, protects your wealth, and provides clarity for future generations.