



Protecting your assets from Inheritance Tax

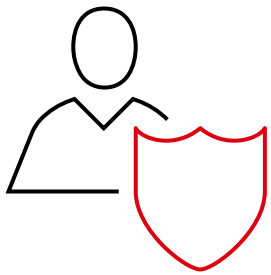
Inheritance Tax is usually paid on an estate when somebody dies. It is also sometimes payable on Trusts or gifts made during someone's lifetime.

 Current threshold for individual £325,000

 Tax rate over the threshold 40%



The benefits of planning for IHT



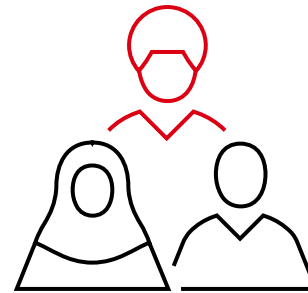
Reassurance

Your savings and possessions (your estate) go to the people and causes that you care about.



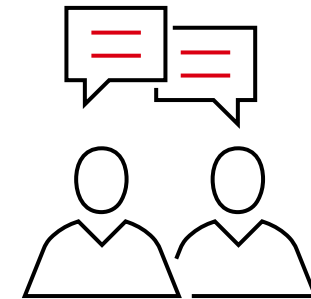
Avoiding disputes between relatives

Good estate planning could help avoid future conflict between your relatives or loved ones.



Looking after the people you care about

Being clear about how you would like your estate to be distributed can avoid unnecessary stress and worry.



Protecting your assets for future generations

Estate planning makes sure that assets are kept within the family and are passed down through future generations. People are often concerned that new spouses or second families will inherit their assets in the future, but estate planning can prevent this.

The steps to working out the value of your estate

Click 1 to 5 to find out more:



Inheritance tax exemptions and Reliefs

Sometimes, even if an estate is over the threshold, assets can be passed on without Inheritance Tax. This could be done within your lifetime as well as after your death.

Can be done:



Within your lifetime



After your death



Spouse or civil partner exemption



Charity exemption



£3,000 annual gift exemption



£250 small gift exemption



Wedding and civil partnership gifts



Business, Woodland, Heritage and Farm Relief



Potentially exempt transfers

If you survive for seven years after making a gift to someone, the gift is generally exempt from Inheritance Tax, no matter what the value.



Please ask your adviser for more details.

IMPORTANT INFORMATION

The impact of taxation (and any tax reliefs) depends on an investor's individual circumstances. The information contained in this document is based on our understanding and interpretation of current UK tax law and HM Revenue & Customs practice as at April 2025. Tax law and practice may change in the future.

HSBC Life (UK) Limited is not responsible for any action an investor may or may not take as a result of information contained in this Guide.

HSBC Life (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England (United Kingdom) number 00088695. Registered Office: 8 Canada Square, London E14 5HQ. Our Financial Services Register number is 133435. HSBC Life (UK) Limited is a member of the Association of British Insurers.

Version: 1 October 2025
