

## **Immediate Inheritance Tax relief provided by Foresight Group LLP to overturn complex death-duties legislation**

- **Combining Business Property Relief with a two year insurance policy, the Foresight Accelerated Inheritance Tax Solution offers a swift and simple solution to IHT**
- **Investors maintain complete control over their estate – control which is often forfeited when gifting or holding assets in Trust**
- **Inheritance tax receipts for 2015/16 were the biggest ever recorded at £4.6bn with the figure set to continue rising in coming years**
- **Launch comes as IHT features high on the news agenda following recent death of the Duke of Westminster, the UK's third richest man**

**London: Thursday, 15<sup>th</sup> September, 2016** – Foresight Group LLP (Foresight), one of the UK's most experienced managers of tax-efficient investments, has launched a brand new inheritance tax (IHT) solution called The Foresight Accelerated Inheritance Tax Solution (Foresight Accelerated ITS). It combines Business Property Relief (BPR) with a group insurance policy to offer investors a solution that provides immediate protection from IHT for beneficiaries while maintaining access and control over their invested assets.

The launch comes as IHT receipts for 2015/16 stand at £4.6bn – the biggest amount ever recorded and one which is expected to increase over the coming years. It also comes as IHT is becoming a topic increasingly featuring on the national news agenda following some recent high-profile cases, including that of the death of the Duke of Westminster, the UK's third-richest man. It is expected that much of his £9bn fortune will go to his son without a large amount of death duties being triggered.

The Foresight Accelerated ITS is specifically designed for those who want their assets to have immediate protection from IHT and the peace of mind that comes with this. The product automatically includes an insurance policy with a Lloyds of London syndicate which covers the two-year gap between the purchase of a qualifying investment and the availability of BPR. Usually, it takes two years for shares to qualify for BPR - during this period, if the shareholder dies, their estate continues to be liable for IHT on the value of the investment.

If an investor dies during the first two years, with Foresight Accelerated ITS, the proceeds of the insurance policy will pay out 40% of the investment to the named beneficiary or beneficiaries, which can be used to offset their IHT liability. After the two year qualifying period has elapsed, the shares should qualify for BPR, at which point no IHT would be due on their value, subject to the investor continuing to hold the shares at death. Therefore, once this initial two-year period is over, the insurance cover will automatically cease.

**Hugi Clarke, Director at Foresight** said: “The UK has an overly-complicated and confusing set of inheritance tax (IHT) rules which aren’t fit for purpose following changes made by successive governments. Legislation that allowed the super-rich, such as the Duke of Westminster, to pass on billions of pounds in assets free of IHT are draped in complexity - including taxes on entry, periodic charges and exit charges which make them virtually impossible for the layman to comprehend.

“Anyone with a single estate valued at £325,000, or a joint estate of £650,000 really should be looking to mitigate their IHT risks, as should all those who are in real danger of house-price increases and inflation pushing them into these brackets in coming years. The Treasury is taking more and more from IHT – people need to plan in advance to protect the assets they have worked so hard to build during their lifetime.

“However, the products that are often used to mitigate IHT can come with a sting in the tail. For example gifts and trusts can take several years to be fully effective and can mean giving up control of assets. The combination of insurance cover and BPR provided by the Foresight Accelerated ITS gives peace of mind for investors, offering an immediate solution to their IHT problem as soon as shares are purchased.”

Foresight is an experienced infrastructure and private equity investment manager, managing tax efficient investments for more than 15,000 private investors. The company launched its original IHT solution (Foresight ITS) in 2012 and already has in excess of £100 million of BPR assets under management helping hundreds of investors with their estate planning.

## PRESS RELEASE



Foresight Accelerated ITS, like its sister fund, Foresight ITS, will target infrastructure assets and asset-backed investments, which are ideally suited to deliver the capital preservation that investors want.

**Ends**

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### **Notes to Editors**

#### **About Business Property Relief (BPR)**

BPR was introduced in 1976 and is a tax relief provided by the UK Government as an incentive for investing in certain types of trading businesses. It is available on businesses, on an interest in a business or a partnership, on unquoted shares and on land, buildings, plant and machinery when utilised in a qualifying trading business.

#### **About Foresight Group LLP ("Foresight")**

Foresight Group is a leading independent infrastructure and private equity investment manager which has been managing investment funds on behalf of institutions and retail clients for more than 30 years.

Foresight has some £1.9 billion of assets under management across a number of funds, including Listed Vehicles, Limited Partnerships, Business Property Relief (BPR), Enterprise Investment Schemes (EISs) and Venture Capital Trusts (VCTs).

[www.foresightgroup.eu](http://www.foresightgroup.eu)