## Inheritance Tax & Estate Planning

How much tax is to be paid from your estate is entirely dependent on you - and the choices and plans you make

We will talk you through the simple steps you can take now to plan for what is to come.

We will help you to structure your estate and financial arrangements so that your assets can pass to your beneficiaries' tax efficiently.

We'll advise you on a range of options and issues to consider, including:

- Your income and capital needs in retirement
- Asset protection strategies
- · Creating your estate plan and beneficiary mapping
- Minimising any potential Capital Gains Tax ond/or IHT liabilities
- Maximising the usage of tax allowances, reliefs and breaks available to you in life and in death
- · Financial planning for your family members and other beneficiaries

#### Where & when to start



Our advice is to start the succession planning process early and give it the time that is needed as opposed to what is left.

You may not have all the answers you need at this stage, but by taking some time to go through the initial questions, scenarios and options with us, you'll have more of the answers you'll need to progress.



**Euan Ferries** Corporate Advisory Buying & selling businesses & raising finance euan.ferries@maco.co.uk

Greig McGarvie

Managing Director, FS Personal financial planning &

greig.mcgarvie@maco.co.uk

## **Business Succession**

Your options, the potential impacts and achieving a good outcome

maco.co.uk/cloud | ca@maco.co.uk | 0141 272 0000

maco.co.uk | mafsltd.co.uk

martin aitken martin aitken maco caledonia

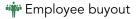
# Why you need to plan

Succession planning is a must for all business owners as sooner or later, retirement will be an inevitability.

If you are planning to retire, or realise the value from your business, there are a number of options to be considered, including:



\*\* Family ownership transfer



Flotation



A Management buyout

(\) Closing the business

We will provide you with an assessment of the options that are available and based on your objectives, we will recommend the suitable business succession route(s).

Our aim will be to ensure that your tax exposure is minimised and a beneficial outcome is achieved for all involved.

Furthermore, a succession event will have inheritance tax implications for your estate. We will help you to plan ahead so that you and your beneficiaries' tax liabilities are no greater than they should be.

#### What will we do? **Key Considerations** • How much will your business Is there a gap between what you need Safeguard your Financial security planning What do you interest provide and how will and what you have? business and this be realised? want and what personal assets, · Income required in retirement · How much will your other do you need? We will advise you on what needs to be future income • Capital needs in retirement assets, savings, insurances, done to close this gap. and your legacy policies etc provide? · What is the business worth and what • The price you want to receive and Is a transfer/sale stage is the business at? what the business is worth? Do you wish • What's the shareholding status? viable? · Who makes the business viable and · When you would like to make an exit to transfer Do you want to · What condition is the business who is responsible for it's success? and when is realistic? ownership retain active in - is it ready for transfer/sale Can the business survive your now or does it require work to and/or involvement or departure? We'll advise you on what you need to do get it ready? not? Or a bit of management? · Is there any potential buyer from to prepare the business for transfer/sale both? outside or inside the business? and how long this could take. Advise you on the potential transfer/sale options in the context of your objectives, · How will the sale/transfer be · What do you want, what does the the business' condition and the readiness funded, what will you recieve What needs to Grow, prepare family want and what could the of the potential new owners/managers. and when? and nurture: the be done to potential buver want? · What's your negotiating business, the ready and • What role does the family play in the Help you to find a buyer and/or prepare position? Valuation vs price you successors, the prepare the business and the senior management the successors take over. are willing tpo accept? family, the new team - if they are different? business for · Your desired exit date vs time owner and/or · Are the potential successors ready to Manage the sale/transfer process and sale/transfer? required to prepare the managers take over? accounting administration, ensuring that business for sale/transfer the deal is structured effectively to minimise the tax liabilities We will scenario plan with you for a range · What elements of the transfer/sale Planning for the of potential outcomes and help you to would have to change if there was a · What's the current plan for the unforeseen and prepare alternative strategies if your What if things significant change in business business, your shareholding, the potential preferred option doesn't work out. don't go to circumstances or in your health and personal assets/estate in the curve balls that well-being status? event of your untimely death or plan? life can throw at We'll create an inheritance tax plan for · What's your fall back plan if the sale disability? you and advise on the potential options us falls through? for investing the transfer/sale proceeds. We'll run the numbers for you on the potential CGT liability a transfer/sale may Minimise your current and How will you · Potential taxes payable and the reliefs • How do you intend to pass on Ensure that you take advantage of all the potential future maximise and allowances available to you: now tax reliefs and allowances available. your interests and assets to the tax liabilities income now and in future. next generation? CGT and IHT -· Your capital and income requirements · What legacy do you wish to Minimise any taxes you have to pay now and post and maximise in retirement (or semi-retirement) leave behind? and the potential IHT bill your transfer? your investment beneficiaries may have to pay in future. returns. Advise you on investing the sale/transfer