

TOP 3

Tax-Saving Tips



GARTH KINLOCKE

Do you want to maximise your tax savings this year?

The end of the tax year is looming and if you don't use your allowances, you lose them!

Here are 3 tax-saving tips to ensure your money goes further:



ISAs

Are you making the most of this year's £20,000 ISA allowance? Using Stocks and Shares ISAs can be great for investing over the long term and saving for your biggest goals in life.

Any money saved within your ISA, grows free of income and dividend tax and you can withdraw from it without incurring a Capital Gains Tax (CGT) liability.

Are you married or living with a significant other? Make sure both use your ISA allowances to maximise the tax saving opportunity.

1



Pensions

A pension is one of the best ways to save for retirement...but why?

You can receive full income tax relief up to a maximum of £40,000 or 100% of your salary, whichever is lower.

Therefore, if you're saving for retirement or you're concerned with your level of income tax- paying into your pension is a great option.

Have you already maximised your pension contributions this year? Check with a Financial Adviser if you can 'carry forward' pension allowances for up to three previous tax years.

2



Maximise Dividends this year

If you're a limited company director, paying yourself in dividends is a well-known tax saving strategy.

However, from the next tax year (starting on 6 April 2022), dividend tax is set to increase by 1.25% across the board.

Therefore, it makes it sense to take a bigger dividend before 5 April 2022 - before the tax rate increases.

3

Please note that none of the above should constitute financial advice

Please note, pensions are a complex area of legislation and you should seek financial advice to help understand what is suitable for you.

The value of the investment will be directly linked to the performance of the funds selected and may fall as well as rise. You may get back less than the amount invested.

Mansion House Financial Planning is an Appointed Representative of and represents only St. James's Place Wealth Management plc (which is authorised and regulated by the Financial Conduct Authority).

