



# How you can pay less Inheritance Tax

Giving to charity could reduce your liability, so we've included the following information to help you ensure your Will makes the greatest possible difference to your loved ones and animals in need.

Inheritance Tax is based on the value of a person's estate (i.e. everything you own) on their death and on certain gifts made during their lifetime. The 'Nil Rate Band' or 'Inheritance Tax threshold' is the value of your estate that is exempt from Inheritance Tax. This is currently £325,000 for an individual and the portion of your estate over this amount may be subject to 40% Inheritance Tax. The Inheritance Tax rate may be reduced to 36% if 10% or more of the 'net value' of your estate is left to charity.

£325,000 may sound like a large sum of

money but if you own property, have savings or investments, you may find that your estate is worth more than you thought. There are ways to minimise the tax your beneficiaries have to pay on your estate but for more information, please seek professional advice.

However, one way to reduce the amount of Inheritance Tax your beneficiaries may have to pay, or eliminate the tax altogether, is to leave a gift in your Will to charity. Generally, gifts to charity are paid free of Inheritance Tax and are taken out of your estate before any tax is calculated.

**Please note:** The Inheritance Tax threshold, and all other figures and facts above, were correct at the time of printing (30.06.16). For more information on Inheritance Tax please visit: [www.gov.uk/inheritance-tax/overview](http://www.gov.uk/inheritance-tax/overview). Please seek professional advice when planning your estate.

If you have any further questions relating to gifts in Wills, please don't hesitate to contact the Legacy Team on: **0300 123 0239** or email: [giftsinwills@rspca.org.uk](mailto:giftsinwills@rspca.org.uk)

The RSPCA helps animals in England and Wales. Registered charity no. 219099.

The RSPCA only exists with the support of public donations.

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Leaving a Legacy