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## **Introduction**

The subject of inheritance tax is an emotive one, in that most people choose not to think about it and elect to get on with their lives instead. However, particularly as we get older, it is never quite that simple and a degree of forward planning is necessary if one is to avoid relatives and loved ones paying high levels of inheritance tax after death.

Inheritance tax is a technical and complex area. Most people have a basic understanding of the main facts, such as the annual inheritance tax level and so on. The purpose of this book is to enable the reader to understand the complexities and to make informed decisions about their assets and the best way to organise these assets to avoid paying exorbitant levels of tax.

The subject of inheritance tax is approached logically. Firstly, the nature of inheritance tax is outlined and also how we work out inheritance tax. Assets are then explored and placed in the context of working out inheritance tax liabilities. The practice of reserving gifts is explored and we also look at the various inheritance tax reliefs available.

Finally, we look at responsibility for inheritance tax and the ways in which we can further reduce the tax burden. We then look at the importance of making a will. Overall, the reader will gain an invaluable insight into inheritance tax and how to plan so that excessive tax is avoided.

This book deals with the law as it affects the United Kingdom, as laws affecting the Channel Islands and Isle of Man differ.