

# Inheritance tax planning and intergenerational planning top 5 takeaways

**If you missed our livestream on inheritance tax and intergenerational planning or simply want a recap of the points made, you're in luck! Below are the top five takeaways from the presentation.**

## **1. The difference between inheritance tax planning and intergenerational planning**

There's an important difference between inheritance tax planning and intergenerational planning. Inheritance tax is logical and prepares your money for your children (and/or grandchildren). Intergenerational planning, on the other hand, is more to do with planning when your beneficiaries will receive the money and why – in other words, preparing your children for the money.

## **2. A well-designed, thought out process with well-informed input can lead to predictable outcomes.**

You can't predict the future, but you can make reasonable assumptions based on the information that you have. Don't believe us?

Think of a number between 1 and 10

Multiply that number by 2

Add 8

Divide it by two

Subtract your original number

Convert your number into the corresponding letter of the alphabet (e.g. 1=A, 2=B, 3=C etc...)

Now think of a country beginning with that letter

Scroll to the bottom of the page...

## **3. How to solve the gifting conundrum**

Giving money to your children can be a concern at any age – when they're young, you don't want to spoil them... but when they get older, you don't want to take away their drive. Then, when they've achieved success, they don't really need it anymore! These concerns can lead to inertia which results in a financial planner's nightmare – no plan at all! Why not act now whilst you can still have a positive influence on your family rather than wait until it's too late? Starting a simple conversation can go a long way.

#### 4. Find out what your money can do for you

A financial plan is useless if you don't know what you want to gain from it. To find out more about our clients, we use something called a 'character diamond'. A character diamond identifies a person's greatest values, fears and motivations, allowing us to better understand their objectives and create a financial plan that will make their lives better.

#### 5. Inheritance tax planning doesn't have to be complicated

Whilst inheritance tax planning can seem daunting, it's actually key to making the most of your wealth for the people and causes you care about. And, with a financial planner at your side, it doesn't have to be complicated. One of our core values at Equilibrium is simplicity, and we promise to always speak to you in a way that you understand.

If you would like to learn more about inheritance tax planning, get in touch with one of our friendly experts today.

*(The country you are thinking of is Denmark)*

#### Tram stops of life expectancy

During the presentation Colin also touched upon the tram stops of life expectancy, as promised here is the visual for you.

