

Inheritance tax exemptions

Exemption Rules

Pass assets to spouse	No tax to pay between spouses or civil partners, so long as they live in the UK permanently
Leave home to children	No tax on your main home up to a minimum allowance of £325,000. An additional allowance of £175,000 if you pass it on to your children or grandchildren
Pension	Pensions are not liable to inheritance tax, and the removal of the lifetime allowance means that you can save as much into your pension as possible
Give away money	No tax to pay on any gifts you give to charities or political parties
Seven year rule	"If you die within seven years by making the gift, then the nil-rate band is reduced by the value of the gift. If the value of your taxable estate on death, together with the value of PETs made within the last seven years, exceeds the nil rate band, then IHT will be charged on these gifts.
Invest in Aim shares	Most Aim shares qualify for IHT relief. If you invest and hold them for at least two years until death, there is no inheritance tax on their value.
Business property relief	You can get 100% relief on a business or interest in a business, or shares in an unlisted company. You can get 50% relief on shares controlling more than 50% of the voting rights in a listed company, land, buildings or machinery owned by the deceased or held in a trust
Agriculture property relief	Free of inheritance tax for some land or pastures, such as for growing crops, trees or farm buildings