

We are delighted to welcome the latest addition to the family. Phoenix Thomas Briggs was born on 9 July to Gemma and Alex. Weighing in at 9lbs 9 ounces and already keeping his parents up all night, he is going to be a heavyweight diversion for everyone including his grandmother!



Oakwood Reminder



I know it is not a pleasant thought, but none of us are going to be here forever! So please do take the time to read our article on ‘my important stuff’ What is imperative, is to make sure you have a will, so those left behind will know what you want to happen to your assets etc., Nothing is more distressing to those still here than you leaving this mortal coil with a mess for them to clear up!

HMRC Investigations can be time consuming, costly, and very stressful. Please read our article on what powers HMRC have and look out for our annual letter to you in the next month or so whereby we offer a fee protection policy for a small sum. This can give you peace of mind if for whatever reason HMRC look into your tax return, and they don’t have to have a reason, then our fees in providing information and defending you, will be covered.

**Business is great but we are always looking for more.
Please pass on this newsletter to any one you feel may benefit.**

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July 2021
Volume 23 —Issue 2

My important Stuff

If you find yourself organised at home and in your work life, can you say the same if you were suddenly to exit this life?

When we exit this mortal plain, we leave behind our loved ones who need to pick up the pieces and bring our affairs together, this can be particularly difficult if unexpected and whilst they are grieving. Trying to figure out the different aspects of our lives from estate, debts, pensions and even passwords for accounts can be almost impossible without the relevant information.

‘My important stuff’ is a document that contains all the important information your loved ones will need in one place, this should be updated annually and kept in a place that your trusted relatives know about, as this will surely ease the burden of dealing with aftermath of our demise.

What should I include in my Important stuff?

Your Will

Provides a set of instructions to your executors as to how to distribute your assets on your death. Appoints guardians if you have children under the age of 18. Make sure you sign it properly and have it witnessed, but not by beneficiaries!

Make sure this is updated as necessary and write down the location of your will, always keep a copy of your will if it is kept with a professional adviser or an executor.

Who are your executors?

These are the people that will execute your wishes on your behalf. Most people will pick their spouses or children. Make sure that this is updated regularly in case you outlive any of your executors. Keep a list of their names, addresses and contact numbers.

HMRC investigations.

Last year over 18,000 requests were made to view phone records and web histories.

New data shows HMRC made 18,263 requests last year to access communications data, such as phone records and web browsing histories, as part of its investigations into taxpayers.

This represents a 59% increase on the number of requests for data made by HMRC in 2010, showing that communications data is regularly being used by HMRC as key evidence in establishing whether tax evasion or avoidance has taken place.

HMRC can request to view data held by telecommunications operators and providers. This could include the time, duration and location of any phone call made. HMRC can also request to view the number dialled.

Additionally, HMRC can ask internet providers to provide data on which websites an individual has looked at. Requests for this information are made to the Office for Communications Data Authorisations.

Furlough fraud is likely to lead to more requests for communications data by HMRC. Over 21,000 employees have already made use of HMRC’s hotline for furlough fraud, which was specifically set up for employees to blow the whistle on employers cheating the furlough scheme.

HMRC’s own internal estimates also show that up to £3.5bn may have been fraudulently claimed through the furlough programme..

HMRC can also film an individual’s house or track their car if they believe a case of serious tax evasion has occurred!

HMRC is likely to be under pressure to increase its yield from compliance activities in the coming year to make up for the huge outlay of public spending during the coronavirus crisis. Clients need to therefore be extra cautious and diligent in ensuring their tax affairs are in line with HMRC’s requirements.

Both of these benefits apply even if Child Benefit is fully recovered as HICBC or not actually paid at all. All that is required is that you register for and are awarded Child Benefit. Having registered, you can, if you know that any Child Benefit will be recovered in full by a HICBC, opt not to receive it.

It's also important that the right person registers for Child Benefit. It's only the person who is awarded Child Benefit who gets the National Insurance credits. If one partner in a couple is already paying National Insurance Contributions and the other isn't, it's the one who is not paying Contributions who should register for Child Benefit.

The effects of losing out on State Pension, though long-deferred, can be substantial. It's been calculated that over a retirement period of 20 years, even one year's missing contributions can cost close to £5,000 in reduced State Pension.

And, despite the competing attractions of parenthood, do try to find the time to do it sooner rather than later. Claiming can be back-dated only a maximum of three months.

HMRC motto

**We've got what it takes
To take what you've got!**

Things to do Now

- 1 Make time for budgeting to manage your outgoings – try an app to make it easier.
- 2 Check whether you're getting the best deal on energy, broadband and more.
- 3 Look for discounts and other ways to save on the things you love – but don't get drawn in by deals you don't need!
- 4 Make a plan to cut back on debt and make smart borrowing choices.
- 5 Annually review your pension plan and savings.

Investments

Use an online investment plan platform to consolidate all your investments, such as ISAs, unit trusts and OEICs. The platform will provide an annual statement with all your investments. The platform is able to provide the necessary tax documents both for calculating your income Tax to the date of death and the tax on income and capital gains to be paid by those who inherit your estate in due course.

Joint accounts

Cash accounts, shares, unit trusts, OEICs and other forms of investment can all be held in joint accounts, meaning that the joint account holder can continue to access them after your death.

Pensions

If you have more than one occupational pension schemes, keep these on an investment platform.

Make sure you have your named beneficiaries are up to date as these are the people that will inherit the sum once you are gone.

Financial adviser

If you use a particular financial adviser, keep a record of their details as they do not usually charge for helping a deceased client's spouse or children.

Appointing a Lasting Power of Attorney

There may come a time when you are no longer able to deal with your financial and property affairs. Having someone you trust appointed for you in case of this event is always a good idea.

You should consider setting up a Property and Financial Affairs Lasting Power of Attorney (LPA). An LPA can be arranged through your solicitor but it is also quite easy to arrange online. Setting up an LPA means that if you cannot deal with things yourself, one or two others who you trust can take over.

You could have a lasting power of attorney for your health and the attorneys do not have to be the same people as for your financial power of attorney.

Inheritance Tax

Is your estate going to be worth less than £325,000 as a single person; £650,000 as a married couple; or £1m as a married couple with a house and children? If so, there should be no inheritance Tax on your estate. Your estate will include gifts of more than £250 that you have made to family members and others (not charities) during the last 7 years. This excludes the usual annual £3000 you can give away to anyone each year.

Birth, Marriage and Divorce papers

List down exactly where all these certificates can be found, as trying to replace them once you are gone can be very difficult.

Passwords

List down all the passwords for your computers, phones, emails, social media and any other electronic devices that your executors will need access to.

Instructions for funeral

If you have any specific requirements that you would like for your funeral, such as if you would like to be cremated or buried, make sure you keep a record of this. Could be included in your will.

Donating your organs

In the UK we are all automatically organ donors unless we specifically opt out. If you do not want to be an organ donor you need to make it known.

Get this 'important stuff' out the way so you can relax knowing this has been taken care of already!

Child Benefit pension benefits

Child Benefit has been around since the 1970s. It got complicated when the High Income Child Benefit Charge ("HICBC") was introduced at the start of 2013. This tax charge applies if you or your partner (not necessarily spouse or civil partner) receive Child Benefit, and either of you has income of more than £50,000. The HICBC recovers an increasing proportion of Child Benefit if the income is over £50,000, and all of it if the income is over £60,000.

People have sometimes overlooked telling HMRC of their liability to HICBC and have been charged interest and penalties for their failure: for that reason, if you know for sure that any Child Benefit is going to be recovered in full as a HICBC, you might conclude that it's easier to forgo registering for it in the first place. It does, after all, save the faff of completing a multi-page form CH2 at a time when, frankly, filling out government forms may not be at the top of your to-do list.

Easier, but not always wise.

What's not as widely known as it might be is that Child Benefit has two other interactions with the National Insurance system.

The first (admittedly rather long-term in its effect) is that it gets the infant's existence recorded onto the National Insurance system and ensures that he or she is automatically allocated a National Insurance number on reaching age 16.

The second (actually even longer-term in its effect but rather more important financially) is that a person who is awarded Child Benefit automatically gets National Insurance credits (relevant to establishing an entitlement to State Pension) until the child turns 12.