

You can put up to £200,000 a year into a venture capital trust (or VCT). In return you get a 30% tax refund on the money you invest, provided you have paid at least that much Income Tax in the year you invest. In addition, there is no tax on dividends and no Capital GAINS TAX TO PAY.

However, investing in fledgling businesses is high risk and the availability of tax reliefs depends on the companies the VCT invests in maintaining their VCT qualifying status. Smaller companies have a higher failure rate than most established businesses, such as those that have their shares quoted on the main market of the London Stock Exchange. They may also be harder to sell and investors should always consider a VCT as a long-term investment.

Enterprise Investment Schemes, or EISs for short, are another way of investing in small unquoted companies. You can invest up to £1m a year with upfront Income Tax relief of 30%. There is no Capital Gains Tax on the sale of your holding provided you hold it for a minimum of three years. If capital gains on another asset are realised tax can be deferred if the gains are reinvested in an EIS.

Like VCTs, EIS products are high risk, and you should seek professional financial advice before making any investment decisions. HM Revenue & Customs may change the rules on VCT and EIS tax relief in the future.

Harwood says: "The way EISs work is that you buy your shares and HMRC issues you with a certificate that you can use to claim tax relief using a self-assessment return. The Revenue is not the fastest at issuing these certificates. If you invest now the chance of getting your certificate by next January is quite slim. If you wait until March there is almost no chance."

USE YOUR CAPITAL GAINS TAX EXEMPTION

If you are selling investments such as shares or property (other than your main home) CGT is levied at a rate of 18% or 28%, depending on whether you are a basic rate or higher rate taxpayer. You are allowed to make gains of £11,100 this year before CGT becomes payable.

DO NOT IGNORE INHERITANCE TAX GIFTS

Gifting during your lifetime is one of the easiest ways of reducing an IHT bill. Each year you can give away £3,000 and that gift will not be subject to IHT when you die. You can also give £250 to any number of people each year. Parents can give £5,000 to each of their children as a wedding gift. Grandparents can give £2,500 and anyone else £1,000. In fact there are a surprising number of gifts that qualify as IHT exempt. Gifts of any size to charities or political parties, for example, are tax free.

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The value of investments and any income from them can fall and you may get back less than you invested. Any tax allowances or thresholds mentioned are based on personal circumstances and current legislation which are subject to change.



IS IT TIME FOR YOU AND YOUR BUSINESS TO SPRING FORWARD?

OH IT FEELS SO GOOD TO BE APPROACHING A NEW SEASON AND TO BE ALMOST WAVING GOODBYE TO WINTER FOR ANOTHER YEAR WRITES BUSINESS COACH AND MENTOR JACKIE CUMMINS.

In my experience many people find it quite challenging during the Winter months to get motivated and really evaluate the current situation of their career or growth strategy of their business and where to go next for increasing client footfall.

It's amazing how the lighter nights and a new Tax Year bring with them a whole new and fresh perspective. There are new budgets ready to support projects and potential opportunities. This is also a great time of year to consider working with a professional coach and mentor to help you achieve your goals.

So why work with a business coach and success mentor?

Well that all depends on what your current situation looks like. When you really start to consider your options and a way forward for the new financial year - it's always a good idea to reflect on what your successes have been and where there are gaps and improvements that need to be made.

It could be that personal development skills that are needed by you or one of your team members. Confidence building workshops for an unmotivated team are instrumental for getting the team ready and prepared to embrace new challenges and innovation.

For: entrepreneurs, directors and senior managers there are many beneficial areas to explore including:

Reducing turnover costs.

Improving productivity

Using your own employees as internal experts for further team development

Re-energising your brand concept and social media platforms

Communication development and change management awareness

Interpersonal relationships

Leadership skills

Developing a sharper focus is a great starting point for your own personal development and that of your business.

Are you ready to embrace greater success and outcomes?

My clients are currently achieving super results and invest in regular coaching & mentoring programmes, as they understand the real value of having a professional sounding board on a weekly basis and are held accountable for their actions.

If this is something you would like to explore contact Jackie on 07940 838103 or email jackiejcd@gmail.com or visit www.j21coaching.com