

A comprehensive service offering

At Paish Tooth we deliver an extensive range of tax and accounting services. Alongside our traditional compliance offerings, we provide expertise in all of the following areas:

- **Succession planning**
- **Wealth Management**
- **Financial Management**
- **Profit improvement**
- **Personal tax planning**
- **Business tax planning**
- **Xero Cloud accounting**
- **Auto-enrolment**

Please just ask if you wish to discuss any of these additional service options.

A friendly team of experts

Paish Tooth is a relaxed and friendly firm with a team of 15 staff. We've been offering expert accountancy and tax advice for over 30 years. Paish Tooth is regulated by the Association of Chartered Certified Accountants (ACCA), and we also practise as Chartered Tax Advisors, authorised by the Chartered Institute of Taxation. Our drive has always been to gain an understanding of every client we work with, so that we can offer the appropriate tailored support and practical advice. We're always keen to build up strong, effective partnerships with our clients and help them achieve their full financial potential.

Get in touch!

Paish Tooth is conveniently based in Cheltenham town centre, a short stroll from the High Street, plus we have client car parking available. Please give us a call if you would like to arrange a meeting with one of the team - we'd love to hear from you!

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Or why not join us on social media:

-  @paishtooth
-  /paishtooth
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Download our free mobile app

The Paish Tooth app will keep you on top of the latest news and tax changes, and is packed with useful tools including calculators, tax tables, financial dates, a receipt manager and mileage tracker.



 **paishtooth**
ACCOUNTANTS & TAX ADVISORS

Personal Tax Planning



Tax Planning for 2015/16

It is very difficult to personally tax plan when the rules keep changing from year to year. This year we have a new relief, the Transferrable Married Couple Allowance, but the maximum tax back is only £212. There is also the new £5,000 savings band which attracts 0% tax.

If your taxable income is nearing the higher rate tax bracket then you can consider gift aid or contributions to a personal pension as way of extending the basic rate band and saving you tax.

Transferrable married/civil couples allowance

From the 6 April 2015, if one partner has insufficient income to use all their personal allowance then they can transfer up to £1,060 of their unused allowance to the other partner. This will increase the other partner's allowance up to a maximum of £11,660 and save £212 a year in tax. The partner who receives the additional allowance will either have their PAYE tax code amended, or if they're under self assessment rules they will be given the relief through their final tax calculation. You need to register online with HMRC to obtain this relief. This relief does not apply if you or your partner were born before 6th April 1935 (as you can claim Married Couple Allowance instead) and it doesn't apply where the other partner's income is over £42,385 (the basic rate tax threshold).

£5,000 savings at 0%

From the 6 April 2015, savers with an annual income of less than £15,600 will be able to register with their banks to get the interest paid tax free. The £5,000 savings band at 0% applies when your other taxable income before adding on the £5,000 savings income comes to less than the personal allowance of £10,600. If this applies then you can register with the banks to receive your bank interest paid gross, by completing form R85 for each of your taxable bank accounts. If you are eligible and your bank interest has had tax deducted then you can complete form R40 or a self assessment tax return to get the tax on the bank interest refunded.

Gift Aid and Personal Pension

Gift aid is a good way to help charities receive income for their good causes and for you to benefit from lowering your taxes if you are a higher rate tax payer.

Personal pension contributions are limited to either 100% of your relevant income, or to the basic amount (which is currently £3,600 gross), whichever is the higher.

Both Gift aid and eligible contributions into a Personal Pension scheme extend your basic rate tax band - consequently you have more income taxed at the basic rate, saving you 20% tax.

Tax Efficient Investments

Some investments exist that are tax free, such as Premium Bonds, NS&I Children's Bonds, Indexed-linked Savings Certificates and ISAs.

EIS and VCT Share schemes allow you to invest in subscribed shares in authorised companies. You get tax relief at 30% on your initial subscription and after 5 Years any Capital Gains are exempt. You have the added relief with EIS in that you can defer an existing gain into the subscribed shares. Whereas VCT dividends are exempt from income tax.

Gifts out of income

Finally have you considered making gifts out of income? These gifts are treated as outside your estate for Inheritance tax purposes. This is because IHT is a tax on gifts from Capital and not Income, so as long as you keep a record for seven years to show that there is a pattern of giving, and that it comes from your surplus income, the gifts will be exempt from IHT if you die within seven years of making the gift.

How can Paish Tooth help?

We are here to help if you have any queries or worries about your personal tax affairs. We are good listeners and will advise and support where necessary. A problem shared is a problem halved!