

WILL YOUR CHILDREN HAVE A TAX LIABILITY WHEN YOU DIE?



Did you know...

**Your children can only inherit €335,000*
from you tax free.**

**Anything in excess of this, per child,
is taxable at 33%.**

**Leaving assets to your children may result in
them having to pay Inheritance Tax.**

Source: Capital Acquisitions Tax Consolidation Act 2003 (as updated).

*Group 1 Threshold available from 9th October 2019.

Please see over the page for an example



LET'S TAKE AN EXAMPLE

Mr and Mrs Nolan have an estate valued at €3,000,000. They have three children (one son and two daughters).

They plan on leaving the family home and the apartment to their son. Their daughters will inherit the remainder of the estate equally.

Their assets are as follows:

Family Home	€1,000,000
Apartment	€500,000
Cottage	€300,000
Life Cover	€600,000
Savings	€150,000
Pensions	€450,000

Sons Tax Liability

Total Inheritance	€1,500,000
Tax Free Threshold	€335,000
Taxable Inheritance	€1,165,000
Tax at 33%	€384,450

Each Daughters' Tax Liability

Total Inheritance	€750,000
Tax Free Threshold	€335,000
Taxable Inheritance	€415,000
Tax at 33%	€136,950

Total Inheritance Tax bill of €658,350 or almost 22% of estate taken in tax

This example assumes that the full Group 1 threshold is available to each child and that none of the children have received any gift or inheritance from anyone else since 5 December 1991.

The material in this article is for general information only and does not take account your own personal circumstances. It should not be used as the basis for any form of agreement or advice and separate tax and legal advice may also be necessary.

*Is this something
you need to
consider?*



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