



# 60 Ways To Save Tax 2023/24 Edition

**The Friendly Accountants**

**Chartered Accountants | Chartered Tax Advisers**

**Directors:** Lesley Ward BSc FCA | Richard Baldwyn ATT CTA

The Friendly Accountants is a trading name of TFA Accountants Limited

**Registered in England Number:** 10396833 | **Registered Office:** Arena Business Centre, Holyrood Close, Poole, Dorset, BH17 7FJ

**t:** 01202 048696 | **e:** richard@thefriendlyaccountants.co.uk | **www.thefriendlyaccountants.co.uk**

## Disclaimer

This guide is designed to alert you to some of the major issues you should be considering. It is not a replacement for professional advice tailored to your precise needs and circumstances.

You should always seek the advice of a suitably qualified professional before acting on any of the advice.

And if you would like to speak to us about any of the issues covered in this guide, please feel free to give us a call or drop us an email.

Whilst we endeavour to use reasonable efforts to furnish accurate, complete, reliable, error free and up-to-date information, we do not warrant that it is such. We and our associates disclaim all warranties.

The information can only provide an overview of the regulations in force at the date of publication and no action should be taken without consulting the detailed legislation or seeking professional advice.

This e-book is intended as a general tax planning guide for UK based small limited companies, together with limited company freelancers and contractors, in relation to the 2023/24 tax year.

It assumes the directors and shareholders are UK residents living in the UK full time, running their business from the UK. The personal tax rates and allowances are those for the UK excluding Scotland – if you are a Scottish taxpayer you will have different tax rates and allowances than those in this book.

The book has been written by The Friendly Accountants, a small accounting practice that specialises in working with freelancers, contractors and small businesses. For more information please visit: [www.thefriendlyaccountants.co.uk](http://www.thefriendlyaccountants.co.uk).

This e-book is for the use of the purchaser of the book only. You are not permitted to reproduce or transmit the book or sections of the book in any form without the prior permission of The Friendly Accountants.

# Contents

Contents .....	3
Introduction.....	1
1 Your Small Business.....	3
2 Your employees (which include YOU if your business is a limited company!) .....	10
3 Your family .....	14
4 Your investments .....	16

# Introduction

Hi there

Did you know that a person earning the average salary of £33,000 in the UK pays nearly £294,000 of tax in their lifetime? That's scary isn't it?

This tax busting checklist will take less than half an hour to complete and will start cutting your tax bills down to size. Simply answer each of the questions yes, no or not applicable.

The checklist is divided into four sections and you only need to complete the sections which are relevant to you.

The first section is all about 'your small business' and looks at all the areas where you can save tax if you own a business or limited company. This is the area where most people can save the most amount of tax so I would spend the most amount of time concentrating on this area.

The second section concentrates on 'your employees'. It is just as relevant if you own your own limited company. Obviously, if you help your team members pay less tax, those savings can be passed on to you. If you are an employee yourself, then this section will help you keep more of your salary.

The third section focuses on 'your family' and the taxes they pay. Not only does it look at your personal situation but also your children and your parents. Significant tax savings can be made across generations so it's worth spending some time here. You might also want to pass a copy of this checklist to your parents so they can make sure that they are minimising their liabilities.

The final section looks at 'your investments' to make sure you're maximising your return on money you've already earned. This section is particularly pertinent to people who are retired or are close to retirement. At this stage in your life it is important that you maximise the return on all of your assets.

If you answer no to any of the questions you need to speak to an accountant to make sure you fully understand your position. It is important that you take financial advice before you make any decisions based on the information that you learn in this checklist. Although every effort has been made to make sure the checklist is accurate it cannot be tailored to your individual personal circumstances.

And of course, if any question doesn't make sense, or you need more information, all you need to do is phone us on 01202 048696 or email [richard@thefriendlyaccountants.co.uk](mailto:richard@thefriendlyaccountants.co.uk).

We'd love to hear how much tax you saved.

Richard Baldwyn ATT, CTA  
Tax Director

# 1 Your Small Business

		Have you spoken to your accountant about this recently?		
		Yes	No	N/A
1	<p>Are you sure that you are taking money out of your business in the most tax-efficient way?</p> <p><i>Tip: If your business is a limited company it often makes sense to get your money out by a combination of salary, dividends as well as other tax efficient strategies. It is worth regularly considering the most tax efficient options to maximise tax savings.</i></p>			
2	<p>Are you paying your spouse a tax efficient salary?</p> <p><i>Tip: The salary must be sensible and reflect the work done – and must actually be paid.</i></p> <p><i>HMRC forms may need to be completed and submitted especially if a state pension record is required. If their earnings exceed £175 per week their earnings will qualify them for both basic state pension and the additional state pension.</i></p>			
3	<p>Have you made the most of your opportunities to save tax by investing in a personal pension?</p> <p><i>Tip: Subject to certain limits, pension contributions made personally are tax allowable - which means that the effective cost may be as little as 55p to invest £1 in a pension. If you don't provide for your retirement, who else will?</i></p>			
4	<p>Have you reviewed your pension arrangements recently?</p> <p><i>Tip: April 2023 saw the abolition of the Lifetime Allowance which affect the amounts that can be invested in a pension fund,</i></p>			
5	<p>If you are a sole trader, have you considered taking your spouse into partnership?</p> <p><i>Tip: Care must be taken to ensure that your spouse's share of profits is not disproportionate to their share of involvement, and it must be run as a genuine partnership (e.g. both names on bank accounts, stationery, etc.)</i></p>			

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 6  | <p>If you are a sole trader making losses or low profits have you considered whether to pay class 2 National Insurance Contributions?</p> <p><i>Tip: If profits are below the small earnings exception (currently £6,725) then you can claim exception from paying class 2 National Insurance Contributions. Alternatively, you may wish to continue to pay contributions to build up entitlement to a State Pension.</i></p> | Yes | No | N/A |
| 7  | <p>Have you considered whether there are any benefits from converting partnership/business loans and/or surpluses into personal loans - or vice versa?</p> <p><i>Tip: In general, finance used for business purposes will receive tax relief. However, care is always needed to ensure that tax relief can actually be claimed whenever setting up financial arrangements.</i></p>  | Yes | No | N/A |
| 8  | <p>If you are a sole trader or partnership, have you considered making key employees partners?</p> <p><i>Tip: Significant National Insurance savings can be made for both you and the key individuals by making them partners. It can also tie them into the business, but care is required.</i></p>  | Yes | No | N/A |
| 9  | <p>If you have subscribed for shares in an unquoted company and lost money, have you made a claim for tax relief?</p> <p><i>Tip: Subject to certain conditions it may be possible to obtain income tax relief on losses incurred on your shares.</i></p>  | Yes | No | N/A |
| 10 | <p>Have you considered the legitimate ways to increase or decrease your business profits so that your allowances and tax rates are used as efficiently as possible?</p> <p><i>Tip: Although there are severe penalties for artificial transactions, there are still some practical and legitimate steps you can take – including taking advantage of government promoted tax shelters.</i></p>                                | Yes | No | N/A |
| 11 | <p>If you are about to invest in a new car, computer or any other business equipment, have you considered the best time to buy them and the best way to pay for them?</p> <p><i>Tip: You will get tax relief a lot quicker if you make the investment shortly before rather than shortly after your business year-end.</i></p>  | Yes | No | N/A |

*Tip: A 100% annual investment allowance of £1,000,000 on most plant and machinery is available.*

- |    |  |     |    |     |
|----|--|-----|----|-----|
| 12 | <p>If your business has made losses, have you made sure that those losses are being used to reduce your current tax bills by as much as possible?</p> <p><i>Tip: If you are self-employed it may be possible to set off the losses against your other income, or even against income from the previous year.</i></p> <p><i>Tip: The loss available may be restricted for non-active sole-traders or partners and professional advice should be taken. It may also be possible to use the losses to reduce your National Insurance bills.</i></p> | Yes | No | N/A |
| 13 | <p>If you run a limited company, have you checked to see if the company's trade qualifies for <i>Patent Box Relief</i>?</p> <p><i>Tip: Rules are currently in force meaning your company could be eligible for Patent Box Relief.</i></p> <p><i>Tip: If your company qualifies you must elect in writing to claim the relief. If your claim is successful, your company could pay tax on its profits at 10% instead of 25%.</i></p>  | Yes | No | N/A |
| 14 | <p>If you run a company or a partnership and sell your personal services, knowledge or skills, have you taken appropriate steps to ensure that the IR35 rules won't cost your business a fortune in additional tax?</p> <p><i>Tip: PAYE and National Insurance Contributions will be applied to all payments made to individuals by Managed Service Companies.</i></p>   | Yes | No | N/A |
| 15 | <p>If you run a one-man band business (not a limited company), have you made sure that there is absolutely no possibility of the Taxman charging you much more money by treating you as being employed by one or more of your best customers?</p> <p><i>Tip: You may firmly believe you are self-employed. But the Taxman may think differently. And it could cost your customer and possibly you a lot of money. So we strongly recommend you take some good advice.</i></p>  | Yes | No | N/A |
| 16 | <p>Have you considered recently (i.e. in the last 12 months) whether your business would be better off trading as a sole</p>   | Yes | No | N/A |



trader, partnership, limited company or limited liability partnership?

*Tip: The dividend tax has moved the goalposts. For many businesses the scales may have tipped in favour of not becoming a company, while for some it may still be more favourable to become a limited company. And since April 2001 limited liability partnerships may be better than either for some businesses.*

- |    |  |     |    |     |
|----|--|-----|----|-----|
| 17 | <p>If you trade through a limited company and pay your spouse or minor children dividends on shares they own, are you sure that the Taxman won't be able to tax those dividends as if they were your income?</p> <p><i>Tip: In the last couple of years the Taxman has been targeting family-owned companies where one spouse does most of the work, but seeks to divert some of the business income to a non-working spouse. Whilst the implementation of any new rules has been delayed until further notice, there are often steps that can be taken now to minimise the risk of such an attack, but the law is complex and proper advice is essential. Extra care is required if redirecting income to children under 18, since annual income in excess of £100 may well still be assessed on parents.</i></p> | Yes | No | N/A |
| 18 | <p>Have you correctly recorded dividend payments by your company on board minutes and dividend vouchers?</p> <p><i>Tip: HM Revenue &amp; Customs may declare payments as loans or salary if proper paperwork is not in place for the dividend payments.</i></p>  | Yes | No | N/A |
| 19 | <p>Have you considered using different classes of shares for company shareholders?</p> <p><i>Tip: Different classes of shares may allow the company directors to pay different levels of dividends to different shareholders, without extra complications or paperwork.</i></p>  | Yes | No | N/A |

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 20 | <p>Have you planned ahead and taken action to minimise your tax bills when you eventually come to sell the business?</p> <p><i>Tip: Do you really want the Taxman to take up to 56% of everything your business is worth?</i></p> <p><i>The amounts involved could be huge. But with proper planning at an early stage you should be able to keep much more of your money in your pocket... and not in the Taxman's</i></p> | Yes | No | N/A |
| 21 | <p>If your company invests in Research and Development ('R&amp;D'), have you planned how to make the most of the R&amp;D tax credit?</p> <p><i>Tip: The rate of R&amp;D tax credit payable is currently as much as 14.5% for small companies – but it can be complicated. So, to make the most of one of the most generous tax breaks in the UK system, you will need professional help.</i></p>                            | Yes | No | N/A |
| 22 | <p>Have you considered making greater use of business gifts as a marketing tool?</p> <p><i>Tip: The cost of business gifts is tax deductible for the business if the gift (a) contains a conspicuous advert for your business, and (b) is NOT food, drink, tobacco or tokens or vouchers exchangeable for goods, and (c) does not amount to more than £50 per person a year.</i></p>  | Yes | No | N/A |
| 23 | <p>If you are not already registered for VAT, do you have a system for making sure that you are still entitled to stay non VAT registered?</p> <p><i>Tip: If your sales in the previous 12 months are more than £85,000 then you MUST register for VAT immediately. So our advice is to set up a system for monitoring your 12 monthly cumulative sales every single month.</i></p>   | Yes | No | N/A |
| 24 | <p>If your sales are less than £1.35m a year, are you making VAT potentially much easier and cheaper for your business by making the most of the cash accounting scheme or the annual accounting scheme?</p> <p><i>Tip: Many businesses find that annual VAT accounting saves them a lot of time, and cash accounting dramatically improves their cash flow. So, both are well worth exploring.</i></p>                     | Yes | No | N/A |

- |    |  |     |    |     |
|----|--|-----|----|-----|
| 25 | <p>If your sales (excluding VAT) are less than £150,000, have you considered switching to the flat rate VAT accounting scheme?</p> <p><i>Tip: Under the flat rate VAT scheme smaller businesses do not need to calculate the VAT liability from invoices received and issued. Instead they are allowed to pay VAT as a flat rate percentage of their sales.</i></p> <p><i>Tip: Not only could this scheme be simpler to administer, but it could also result in you paying less VAT. But it could cost you more – so proper advice is essential.</i></p> | Yes | No | N/A |
| 26 | <p>Do you always time the payment of dividends and bonuses from your company so that they fall in the “right” tax year for you?</p> <p><i>Tip: The timing of dividends and bonuses can have a big effect on how much tax you pay on them</i></p>   | Yes | No | N/A |
| 27 | <p>Have you considered reducing the amounts of cash held by the company?</p> <p><i>Tip: Too much cash within the company could increase the Inheritance Tax liability of shareholders or their ultimate Capital Gains Tax liability on disposing of their shareholdings. There are a number of options to reduce the cash tax efficiently, including extracting the cash with a personal tax bill of as little as 3.75%.</i></p>   | Yes | No | N/A |
| 28 | <p>If your company owns property that it rents out, have you fully considered the tax opportunities?</p> <p><i>Tip: Owning a property within the company could in some circumstances increase the corporation tax payable by the company. It may also increase the Inheritance Tax liability of shareholders or their ultimate Capital Gains Tax liability on disposing of their shareholdings. It may be possible to reduce these taxes and move the property out of the company tax efficiently.</i></p>   | Yes | No | N/A |

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 29 | <p>If you own any business property, have you maximised the capital allowances that you can claim?</p> <p><i>Tip: It may be possible to get extra tax relief on the features within the business property, even if the property was bought many years ago. A detailed review of the business property can often result in significant tax savings, and in some cases significant tax refunds.</i></p> | Yes | No | N/A |
|    |   |     |    |     |
| 30 | <p>Have you considered the impact of Business Asset Disposal relief and Capital Gains Tax rules on selling your business and assets?</p> <p><i>Tip: Selling assets rented to businesses no longer automatically enjoy lower Capital Gains Tax treatment. The rules for Entrepreneur's relief are complicated and care should be taken to plan the sale carefully to maximise tax savings.</i></p>     | Yes | No | N/A |

## 2 Your employees (which include YOU if your business is a limited company!)

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 31 | <p>Do you have a company pension scheme? Are you making the most of pensions as a highly tax efficient way of rewarding and retaining key staff?</p> <p><i>Tip: Every employer with at least one member of staff has new duties, including enrolling those who are eligible into a workplace pension scheme and contributing towards it. Failure to implement and run this initiative correctly could end up costing you more in fines.</i></p>   | Yes | No | N/A |
| 32 | <p>Have you explored how to use pensions to cut the tax bill on wages and salaries?</p> <p><i>Tip: Under what are known as “salary sacrifice” schemes, it is possible to save up to 25.8% in National Insurance contributions on the pension contributions made. These savings can, of course, be shared between you and your staff so that everybody is better off.</i></p>  | Yes | No | N/A |
| 33 | <p>Have you considered using one of the more “exotic” types of pension schemes to give you more control and flexibility and allow you and your staff to build up even bigger nest-eggs?</p> <p><i>Tip: Some of your options might include an Executive Pension Plan (EPP), a Small Self-Administered Scheme (SSAS), or a Self-Invested Personal Pension (SIPP). These schemes allow you to invest in a wider range of assets, which may include the premises occupied by your business.</i></p> | Yes | No | N/A |
| 34 | <p>Do you fully understand how to calculate the tax value of benefits in kind?</p> <p><i>Tip: As an employer it is your responsibility to calculate these tax values and include them on your employees’ P11Ds. Many of the calculations are not intuitive, and if you get them wrong you could find yourself facing a fine of up to £3,000 per incorrect P11D!</i></p>   | Yes | No | N/A |

35	<p>Have you told the Taxman about any changes to your company cars or who uses them?</p> <p><i>Tip: Changes to company cars can be reported on form P46 (car) or online and can save employees from paying the wrong amount of tax in the year and receiving a large tax bill later.</i></p>	Yes	No	N/A
36	<p>If you provide company cars, have you checked in the last year whether you and your employees could be better off by changing your company car and petrol policy?</p> <p><i>Tip: The last few years have seen dramatic changes to the way company cars are taxed. Inevitably, the tax on most types of cars is now higher – especially for cars with high CO<sub>2</sub> emissions.</i></p>	Yes	No	N/A
37	<p>If your employees use their own cars for company business, do you know how the mileage rules affect them and the business?</p> <p><i>Tip: Employers are able to pay employees up to 45p per business mile tax free, dropping to 25p per business mile after 10,000 business miles for using their cars on business journeys. Where employees receive less than these limits for business journeys in their own cars they can claim the difference as a deduction against their wages and reduce their tax bill.</i></p>	Yes	No	N/A
38	<p>Have you considered providing your employees with new low emission cars?</p> <p><i>Tip: The tax paid by employees on low emission cars is now less than on high emission cars, and you can also claim 100% tax relief when you buy certain low emission cars. Note: This 100% relief is much more generous than the normal capital allowances on standard and high emission cars. It is surprising what cars are now included. A list can be found at <a href="http://www.comcar.co.uk">www.comcar.co.uk</a>.</i></p>	Yes	No	N/A
39	<p>Are you utilising the rules for employees taking home company vans?</p> <p><i>Tip: Unrestricted private use will generate a benefit in kind chargeable to tax of £3,960 per annum, with an additional £757 chargeable if fuel is also provided. Carefully documented procedures restricting private use could avoid this tax. Remember that the definition of ‘van’ may include pick-up trucks.</i></p>	Yes	No	N/A

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 40 | <p>Are you certain that you make the most of tax-free benefits in kind for your staff?</p> <p>Some of the possibilities include:</p> <ul style="list-style-type: none"> <li>▪ Providing mobile phones (no more than one per employee)</li> <li>▪ Giving them luncheon vouchers</li> <li>▪ Subsidising certain forms of transport to and from work – including bus fares</li> <li>▪ Providing workplace nurseries and crèches</li> <li>▪ Sporting and recreational facilities</li> <li>▪ Health checks</li> <li>▪ Car parking</li> <li>▪ Paying relocation expenses</li> <li>▪ Up to £150 per person per year for staff parties</li> <li>▪ Making cash awards for contributions to a staff suggestion scheme</li> <li>▪ Allowing staff to use pool cars for business purposes</li> <li>▪ Paying staff up to an extra 5p a mile if they use their own car to take fellow employees on the same business trip</li> <li>▪ Providing company bicycles</li> <li>▪ And even... paying employees up to 20p a mile when they use their personal bicycles on business journeys! (or up to 24p a mile for a motorbike) and providing free meals and refreshments to encourage employees to take part in official cycle to work days</li> </ul> | Yes | No | N/A |
| 41 | <p>If you use contract workers and freelancers, have you made absolutely sure that the Taxman has no grounds for treating them as your employees?</p> <p><i>Tip: This area can be a real minefield. Many businesses have unexpectedly found themselves with very expensive tax and National Insurance bills for people that they thought were contractors and/or freelancers - but the Taxman regarded as employees.</i></p>  | Yes | No | N/A |
| 42 | <p>If your employees work from home, are you using the rules so that you can reimburse them tax free?</p> <p><i>Tip: It is possible for you to pay £6pw tax-free without the employee providing any evidence that they have spent money, and larger amounts if they provide evidence of spending.</i></p>   | Yes | No | N/A |

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 43 | <p>If you have relatively low waged employees and/or employees with children, have you advised them to claim Universal Credit?</p> <p><i>Tip: You may be eligible to claim these credits too.</i></p>   | Yes | No | N/A |
|    |   |     |    |     |
| 44 | <p>Are you sure that you are staying on the right side of the minimum wage law?</p> <p><i>Tip: From 1 April 2023 the national living wage was introduced at £10.42 an hour for people aged 23 and over. The current national minimum wage rates for those aged 21-22 is £10.18 per hour, £7.49 for those aged 18 to 20 years and £5.28 for those aged 18 and under.</i></p> | Yes | No | N/A |



## 3 Your family

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 45 | <p>Have you made a will? Have you updated it recently? And is it IHT efficient?</p> <p><i>Tip: There are many compelling reasons for writing a will. For example, without one it could be up to the courts to decide who will be the guardians of your children and you may also have to pay thousands of pounds in unnecessary tax and legal costs. Why make things even worse for your loved ones? Make a will now!</i></p> <p><i>Tip: If you are having a will drawn up it may be worth considering having a Lasting Power of Attorney drafted at the same time, to save costs. This enables you to nominate a trusted individual to deal with your affairs in the unfortunate event that you cannot deal with them.</i></p> | Yes | No | N/A |
| 46 | <p>What happens to your family and business if you are ill or die? Do you have life assurance, permanent health insurance and critical illness cover? Have you reviewed your policies recently? Are they still the best policies for you?</p>   | Yes | No | N/A |
| 47 | <p>If you give money to charity, have you made sure that the Taxman makes your donation even bigger by using, for example, Gift Aid and payroll giving?</p> <p><i>Tip: It is quite easy to get the Taxman to contribute a significant amount (to both the charity and possibly to you) every time you make a donation. It is also possible to make a gift in one tax year and carry it back to the previous year, subject to certain conditions.</i></p>  | Yes | No | N/A |
| 48 | <p>If you are planning on moving home, have you explored the possibility of taking a business loan instead of a mortgage?</p> <p><i>Tip: Business loans can get up to 45% tax relief, whereas mortgages no longer get any tax relief. What this means is that, for a £100,000 loan with 6% interest, the 45% tax relief could save you up to £2,700 a year - i.e. saving you up to £67,500 over 25 years! There are many issues— so professional advice is essential.</i></p>   | Yes | No | N/A |

- |    |   |     |    |     |
|----|---|-----|----|-----|
| 49 | <p>Have you considered changing your mortgage?</p> <p><i>Tip: Some banks and building societies offer subsidies to people switching mortgage, where some are increasing their rates. What price are you paying for inertia? Professional advice should be taken, as many deals may not be as good as they look.</i></p>   | Yes | No | N/A |
| 50 | <p>As there is no tax relief on mortgages, have you considered reducing your mortgage, or using a flexible or offset mortgage?</p> <p><i>Tip: If the net interest rate you earn on your savings is less than the interest rate you are paying on your mortgage, then you will save money by using your savings to pay off some or your entire mortgage.</i></p>   | Yes | No | N/A |
| 51 | <p>Have you maximised the government contributions into pensions for your children?</p> <p><i>Tip: You can contribute up to £2,880 net per child into personal pensions for them each year. The Government will add up to a further £720 per annum for each. The investment will not suffer any annual taxes and cannot be drawn until the child reaches at least 55.</i></p>   | Yes | No | N/A |
| 52 | <p>Have you used the legitimate ways to reduce your tax bills by transferring income from a spouse paying tax at higher rates to a spouse paying tax at lower rates?</p> <p><i>Tip: At the very least you should aim to make sure that neither spouse wastes their £12,580 tax free allowance – but early professional advice is essential. In particular, care needs to be taken not to divert income deriving from a spouse's company if that spouse substantially performs the work.</i></p> | Yes | No | N/A |

## 4 Your investments

- |    |  |     |    |     |
|----|--|-----|----|-----|
| 53 | <p>Have you reviewed your investments to ensure that they are appropriate and performing well? Are they giving you the right balance of income and capital growth?</p> <p><i>Tip: Financial advice should be taken to ensure the right investments are made for your circumstances and the risks you wish to take.</i></p>   | Yes | No | N/A |
| 54 | <p>Have you considered investments that give you a tax-free return? For example: National Savings Certificates, Friendly Societies and ISAs</p> <p><i>Tip: You can invest up to £20,000 a year in an ISA.</i></p>  | Yes | No | N/A |
| 55 | <p>If your spouse pays tax at a lower rate than you, have you considered passing some of your investments to them in order to reduce your combined tax bills?</p>  | Yes | No | N/A |
| 56 | <p>If some of your investments have done very well and grown in value have you considered whether it is sensible to sell some of them to save yourself even higher tax bills in the future?</p> <p><i>Tip: Everybody is allowed to make £6,000 in tax free capital gains a year, but many people waste this tax free allowance and end up paying higher tax bills later. Don't join them!</i></p> <p><i>Tip: "Bed and breakfasting" investment is no longer possible. But you may still be able to save tax by selling shares and buying them back more than 30 days later, or having your spouse buy them back.</i></p> | Yes | No | N/A |
| 57 | <p>Have you made sure that the non-tax-payers in your family receive their interest gross - i.e. without their bank or building society deducting tax?</p> <p><i>Tip: Banks and building societies won't do this automatically. You need to ask them for form R85, and will need to complete one for each account.</i></p>   | Yes | No | N/A |

- |    |  |     |    |     |
|----|--|-----|----|-----|
| 58 | <p>Have you considered the three main ways of getting tax relief on the full cost of your investments and not just on the interest you earn on those investments?</p> <p><i>Tip: The main examples are pensions, venture capital trusts and investments under the enterprise and seed enterprise investment schemes Some of these can be very risky. Never invest more than you can afford to lose and always take professional advice before investing.</i></p>   | Yes | No | N/A |
| 59 | <p>If you are considering investing in property (other than your home), have you considered taking out a loan to finance the purchase?</p> <p><i>Tip: Even if you don't actually need to borrow now, it may still make sense to borrow and use your spare capital for other purposes. However, be aware the tax rules are changing.</i></p>  | Yes | No | N/A |
| 60 | <p>If you own any buy-to-let properties, have you considered owning them jointly with your spouse/civil partner?</p> <p><i>Tip: For Capital Gains Tax purposes and Inheritance Tax purposes it can often be more advantageous to hold assets jointly. However, if one of the couple is a higher rate tax payer and the other pays tax at basic rate, then annual income tax bills may be higher than necessary. Owning the property jointly as tenants-in-common will allow the couple to allocate the income in unequal shares, e.g. say 90% to the basic rate spouse and 10% to the higher rate tax payer.</i></p> | Yes | No | N/A |

And finally....

Well done for getting this far! That's 60 ways to pay less tax and keep more of the money that's yours completed. You must have found at least one area where you can improve?

As always, if there is any matter that requires further clarification or there is an area where you need more help, please do not hesitate to contact us now on 01202 048696 or [richard@thefriendlyaccountants.co.uk](mailto:richard@thefriendlyaccountants.co.uk) and we will be only too happy to help you.

And, the next time you hear somebody moaning about paying too much tax you know you'll be able to offer them a copy of this checklist. All you need to do is put them in touch with us and we'll send them their own personal copy.