

Inheritance Tax Planning Guide

Protecting the farm, the family and the next generation

HoxtonWealth

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2026 Edition

HoxtonWealth

Inheritance Tax Planning Guide

Protecting the farm, the family and the next generation

For farming families, IHT planning is about more than tax.

It is about protecting the farm, the land, the farmhouse, the business and the family's future.

With changes to IHT, APR, BPR and pensions, now is the time to review your position.

Know Your Position

WHAT DO YOU OWN?

Land • Farmhouse • Buildings • Business • Investments • Pensions • Cash

WHO OWNS IT?

Personally • Partnership • Company • Trust

WHAT IS IT WORTH?

An up-to-date valuation is the starting point for understanding your potential IHT exposure.

WHICH TAX RELIEFS COULD PROTECT YOUR ASSETS?

APR • BPR • Nil Rate Band • Residence Nil Rate Band • Spouse/civil partner exemptions

The Key Planning Areas

01	**REVIEW APR & BPR**	Check which land, buildings and business assets may qualify for relief.
02	**PLAN SUCCESSION**	Who will own and run the farm – and how will other family members be provided for?
03	**REVIEW YOUR WILL**	Make sure your Will, ownership and succession plans work together.
04	**CONSIDER LIFETIME GIFTS**	Gifting may form part of an IHT strategy, but consider IHT, CGT, the 7-year rules and your own financial security.
05	**PLAN FOR ANY IHT**	Consider how any liability could be funded without forcing a sale of the farm.

Pensions & IHT

FROM 6 APRIL 2027

Most unused pension funds and pension death benefits are due to be brought into the estate for Inheritance Tax purposes.

Pensions should now be considered alongside:

FARM • LAND • BUSINESS • HOME • INVESTMENTS • PENSIONS

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The Challenge Ahead

From April 2026 and April 2027, inheritance-tax (IHT) and pension legislation will change.

- Agricultural Relief will be reshaped, affecting how farmland can be passed on.
- Pensions will become part of estates from April 2027, increasing potential IHT liabilities.
- Complex cases such as the Balfour Tax Case highlight how inadequate planning can create costly mistakes.

For many farming families, these reforms could mean larger tax bills, difficult decisions about selling land, and uncertainty for the next generation.

Why Act Now?

Too many families delay succession discussions.

- Valuable allowances can be lost.
- Conflict can arise between farming and non-farming children.
- Wills may fail to protect assets.
- Land may need to be sold simply to cover the tax bill.

> "If you haven't started your succession plan, you are leaving the harsh reality of tax in the government's hands."
>
> TERESA DUNNING, HOXTON WEALTH UK

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Our Services

Hoxton Wealth provides financial-planning and investment advice services, bringing together the specialist knowledge and skill you need:

Post-2026 Inheritance-Tax Rules	We can help you with a financial plan to help reduce your inheritance tax liability.
Succession Planning	We can help you to understand how to re structure your ownership agreement to further protect your legacy.
Trusts & Wills	We work along specialists to help you structure and safeguard your future legacy.
Pension & Estate Planning	Our Chartered qualified advisers can help you to calculate your Pension liability before April 2027.
Worked Scenarios	real-life examples showing how proactive planning can reduce stress and tax exposure.

We work alongside accountants, solicitors, and tax specialists to ensure each plan is properly structured and compliant.

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Practical Solutions for You and Your Family

At recent seminars, Hoxton Wealth highlighted strategies that are making a difference today:

Restructuring businesses

moving from sole-trader or partnership status to limited company for flexibility and protection.

Family-investment companies and partnerships

modern vehicles enabling control, tax efficiency, and wealth transfer.

Reversionary trusts

flexible structures providing for children and grandchildren while protecting family wealth.

Pension planning

drawing tax-free cash, gifting strategically, and using trusts to manage future IHT exposure.

Estate reviews

ensuring wills, trusts, and ownership structures remain up to date.

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Case Study - Real Impact

Richard, a dairy farmer, owns land in his own name worth nearly £5 million.

Taking his £2.5m allowance into consideration, with no further planning his sons could be hit with a £500,000 inheritance-tax bill, despite working the farm daily.

By restructuring the business and revising his will, Richard can protect his sons from unnecessary debt and keep the farm within the family.

This is not an isolated case—farming families across the UK face similar challenges. With appropriate planning, these burdens can be mitigated—or avoided entirely.

Why Hoxton Wealth UK

Deep sector expertise

extensive experience working with farming families nationwide.

Clear communication

complex tax and succession topics explained in plain English.

Collaborative approach

coordinating with your existing professional advisers.

Forward-looking strategies

preparing for both current and forthcoming reforms.

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Take the First Step Today

Succession planning is not just about reducing tax; it's about securing your family, farm, and legacy.

Now is the time to:

- Review your business and personal assets.
- Update wills and consider trust arrangements.
- Protect pensions and investments.
- Plan confidently for future generations.

Teresa Dunning, Hoxton Wealth UK's Financial-Planning Director, is an FCA-authorised adviser with over ten years' experience helping farming families safeguard their future through succession and estate planning.

Your Quick Checklist

- ☐ Farm professionally valued
- ☐ APR & BPR reviewed
- ☐ Will up to date
- ☐ Succession plan agreed
- ☐ Pension position reviewed
- ☐ IHT funding considered

THE BIG QUESTION

If something happened tomorrow, would your family know what happens to the farm?

Protect the farm. Provide for the family. Plan for the next generation.

Book A Farming Family IHT Review

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BOOK AN APPOINTMENT

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