

Anthony Collins
solicitors

PLANNING: WHAT WE BELIEVE IN

Anthony Collins Solicitors LLP

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Planning – what we believe in



Anthony Collins Solicitors delivers high-quality, bespoke and client-focussed private client services. In the context of the current political and economic climate, we believe that now is the right time to set out what we believe in doing to help our clients who are seeking to plan their affairs, how we help them and perhaps most importantly, why we help them.

We are writing to you as a valued partner with whom we wish to continue to have a close relationship. We invite your comment on the points that we have raised in this piece and the questions that we have asked. Your input into this is crucial, to help us shape the way that we will work with you and our clients going forward.

Good client care should never result in the exposure of our clients to risk, harm or unaddressed needs. We believe that an approach to tax and estate planning that focusses on protecting our clients, promoting their interests as well as those of their families and businesses and harnessing the good that our clients want to do serves an important social purpose.

To best help our clients, we must make it clear that this is the foundation of our work and we must work closely with professional partners who share these values and goals.

The “golden rules” in the work that we do with and for our private clients are:

- Planning should be within both the rule and the spirit of the law, using available reliefs and exemptions. “Stretching” the law so that it has a meaning unintended by Parliament, but that is advantageous to the tax payer, is likely to be considered “unacceptable” tax avoidance¹ and would attract the unwanted attention of the authorities.
- Both we and our clients should be happy to make any requisite disclosure to HMRC by way of compliance and reporting, knowing that what we have done will not attract undue attention. Schemes or similar structures are often very aggressive in nature, likely to attract the wrong sort of attention from HMRC, and expose clients to undue and unnecessary harm and publicity.
- Planning should always be driven by the broader goals of our clients, with tax saving being subsidiary – sometimes even incidental – to other objectives and solutions. For example, a client may wish to protect family wealth against particular “life risks” such as divorce or bankruptcy, as well as mitigating their capital tax exposure.
- It is all about balance; mitigating the tax burden while still making a valuable contribution – financial and otherwise – to society. Trying to manoeuvre into a place where there is an artificial minimum of tax or no tax to pay is not something we could support.

¹ See for example the answer by Lord Deighton on 25 February 2015 to the question posed by Lord Ashcroft on 9 February 2015, reference Lords HL 4794 for the view of HMRC on this.

- Our advice should be charged for on the usual professional fee basis and not as a percentage of potential tax savings, since our only incentive is to achieve the goals of our clients.
- It is perfectly possible to be creative and helpful in advising and assisting our client within these parameters.



We hope that you appreciate the important point that underlies everything that is set out above – that individuals can have their affairs ordered in a tax efficient and sensible manner without flouting the law, bending the rules or causing themselves any embarrassment or difficulty.

Some examples of what we believe are appropriate planning tools include (but are not limited to):

- Deeds of Variation
- Discounted gift trusts
- Domicile planning where a client is truly non-domiciled
- Family investment companies
- Gift and loan trusts
- Lasting powers of attorney
- Pensions
- Second death life policies
- Trusts
- Use of available reliefs for capital gains tax, including:
 - Hold over relief
 - Entrepreneur's relief
 - Roll over relief
- Use of available reliefs for inheritance tax, including:
 - Business property relief (including company and asset reorganisation to maximise this)
 - Agricultural property relief
 - Relief qualifying investment
 - Normal expenditure out of Income
 - Maintenance of relatives
- Use of bespoke products and strategies as they were intended to be used
- Wills

Our aim is to encourage and help our clients to effectively steward their resources, whether for the benefit of their families, their businesses and their employees, or for wider philanthropic means. There is an incredible amount that we can do together!

The benefits of this approach lie first and foremost in the best interests of our client, the fulfilment of their goals and their protection.

The commercial benefits are also worth consideration. We believe that there is sufficient public interest now in conducting estate and tax planning, in what might be considered a “socially responsible” fashion, that a public statement of intent to focus on this approach to the exclusion of anything more controversial, will attract client interest and instructions.

Are there difficulties? We believe that the approach upon which we are embarking is an ambitious one and with such matters there will always be detractors. We do not doubt that there will be parties in the market who want to pursue more controversial approaches to planning work and who would not wish to align themselves with our goals. We stand by the position that we have set out in this paper and, when considering our ability to act, will adhere to these principles – this may mean that we turn away private client work that we do not feel sits with our overall philosophy.

We must also remain immune to accusations of hypocrisy; we are clear that our proposals are designed with the best interests of our clients in mind. “Ethical” is a subjective concept and for some people it might mean making no attempt to mitigate tax exposure at all. We do not subscribe to this belief; it is a long-standing principle in English law that a tax payer is entitled to order their affairs so as to mitigate their tax liability. We simply believe that a line must be drawn over which we would not want to step.

Fundamentally, we believe that the client base with whom we work are ready and waiting for the approach that we have described to be clearly articulated. We believe they are tired of the same old tax scandals, negative headlines and the perceived desire of tax professionals to help clients “dodge” tax to the detriment of society at large and they do not want to expose themselves to any of these accusations in what they choose to do.

We intend to take your input and use it to develop a formal statement of intent, by which we will conduct our affairs. We look forward to presenting this to you.

For more information

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