

## Winter Season

As we approach the end of 2014 it is a good time to reflect on the past year with all its successes and learning opportunities presented.

Within the financial services arena it has been a year of radical changes with the Autumn Statement recently clarifying further details of the Budget pension reform announcement.

The overhaul, which will give savers aged over 55 the freedom to access their pension is hugely significant so the Chancellor has refined the prospects with greater detail on the tax changes and rules.

There will be further positive news for married pensioners with a welcome relaxation on the taxation of pension benefits when a spouse dies.

The new far reaching changes will enable certain pots of unspent pension money to be passed on the heirs free of tax and also if they die younger than 75 their spouse will pay no tax on income at all.

In addition people inheriting ISA's from their spouses will benefit from the wrappers tax free status, as they can take on their spouse's ISA amount on top of their usual allowance which will safe guard existing savings.

Also we can look forward to an inflation linked rise in April 2015 to a maximum contribution of £15,240 for the new ISA allowances so that will create greater opportunity for tax free savings.

Looking forward to 2015 with continued low inflation forecasted, pay rises expected and share prices that offer decent propositions it can be said that there are signs that economically better times are ahead.

We therefore hold a good expectation at FPP for the next year believing that never before will retirement planning advice, inheritance tax planning and long term care be more valuable as the greater choices become available in the new tax year.

It only leaves me with great pleasure to wish all of our existing clients, professional acquaintances and prospective clients a Very Happy Christmas and Prosperous New Year.

Best Wishes

A handwritten signature in black ink that reads "Julia". The signature is written in a cursive, flowing style.

Happy Christmas from the Team at The Financial Planning Practice Ltd!

