



New Year 2020

### In this issue...

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- Incredible Response to our Mince Pie Charity Event
- Inheritance Tax on Christmas Gifts
- Challenging a Will Where the Testator Did Not Know or Approve of its Contents
- New Year, New Budget
- New Year Checklist



### Incredible Response to our Mince Pie Charity Event

On 6 December 2019, the Northampton office hosted a Christmas collection in aid of the Northampton Women's Refuge, Eve, which supports local women and children affected by domestic abuse.

We received an incredible response from our wonderful clients, local businesses, and colleagues, who popped in for some mince pies and mulled wine and brought such generous gifts with them.

Both Hewitsons and Eve are extremely grateful for the overwhelming response, with Eve representatives stating that they were "taken aback and amazed at the generosity and kindness of individuals".

A huge thank you to everyone who supported the charity by donating such lovely items.



## Inheritance Tax on Christmas Gifts

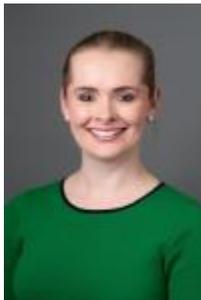
Now that Christmas is over, the inheritance tax (IHT) implications of your gift giving is probably the last thing on your mind. However, it is very possible that the gifts you made to your loved ones over the festive period may have an IHT impact depending on whether the gifts were made from capital or from income.

If you make gifts, but have sufficient income leftover to maintain your usual standard of living, no IHT will be payable on them. Similarly, gifts out of capital of up to £250 per recipient per tax year will be covered by the "small gifts" exemption and IHT will not be chargeable.

However, if you exceed the small gifts limit, these generous presents would form part of your annual exemption of £3,000 (per donor). If your gift giving goes above the annual exemption and you die within 7 years of making them, it will either eat into your nil rate band (currently £325,000) or IHT will be payable by the recipients if you do not have enough nil rate band left.

This shows that tax is always something to bear in mind, even during the Christmas period!

If you would like to read more about Christmas gifts and IHT, please [click here](#).



## Challenging a Will Where the Testator Did Not Know or Approve of its Contents

With everyone being so busy over Christmas, it is very easy for things to slip under the radar, including the creation of questionable Wills by loved ones.

There is a presumption that a testator knew and approved of a Will's contents if they had the required testamentary capacity to make it and it was signed and witnessed correctly. However, if you are concerned that a family member or friend did not know or understand what they were signing, it is possible to challenge the Will on these grounds and ask the Court to set it aside.

Please [click here](#) to read more about the suspicious circumstances which may indicate that a Will could be challenged as a result of the way it was signed and prepared. If you believe that any of these circumstances apply and indicate that a Will is invalid due to lack of knowledge and approval, one of our experienced solicitors in this area would be happy to discuss this with you.

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## New Year, New Budget

Now that we have entered the New Year, the returning Conservative government has been urged to keep the tax promises it made during its General Election campaign. As mentioned in our previous HTML, Sajid Javid has acknowledged the complications IHT poses and hinted that the next Budget may change or even abolish it.

The Budget is likely to be announced in February or March, so keep checking our website and subscribing to our HTML to [keep up to date](#) with any changes that may affect you and your family in 2020.

If you would like to read more about the proposed changes to IHT in the meantime, please [click here](#).

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## New Year Checklist

1. Have you submitted your online tax return?
2. If you have life insurance policies or pensions, have you updated your nominations?
3. Have you updated your Will? This is especially important for opposite sex couples who have entered into civil partnerships since New Year's Eve following recent changes to the law, as most existing Wills will be invalidated by marriage or a civil partnership.
4. Have you made Lasting Powers of Attorney?
5. And finally, have you made your New Year's resolutions?

If you have any questions, please contact one of our team below.

- Carolyn Bagley on 1908 247015 or [click here](#) to email Carolyn.
- Francesca Rossi on 020 7400 5037 or [click here](#) to email Francesca.
- Antonia Cooper on 01604 463314 or [click here](#) to email Antonia.
- Tobias Gleed-Owen on 01223 532718 or [click here](#) to email Tobias.

Happy New Year from everyone at Hewitsons.

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