ATT Welcome, April 2016

Welcomes

01 April 2016

March – a busy but successful month for the ATT

So much happened in March at the ATT that it will be difficult to praise everyone who deserves credit.

We have a new Executive Director, so I extend a warm welcome to Jane Ashton. There was the Branches Conference in Warwick that was attended by over 50 representatives and volunteers from around the UK and designed and delivered by Emma Barklamb and her team.

Dozens of press releases were drafted by the media team led by Hamant Verma, and numerous technical briefings were issued from our technical team led by Will Silsby and supported by Alison Ward. The Joint Presidents' Lunch in Edinburgh was attended by about 150 guests. Of course, we also had George Osborne's Budget.

The ATT name, and everything good it stands for, was communicated to a huge audience as a consequence of everyone's efforts.

I was particularly delighted with our pre-Budget plea to George Osborne to leave pensions alone, and the government's response days later was particularly pleasing. If you read the headlines in many of the major papers, you will know they were taken from our press release. We will never know how much credit we can take for the government's decision, but I say well done to Michael Steed our President, Hamant Verma our Media Manager, our Technical team and of course me!

The Budget was actually a fairly quiet one from my perspective as a wealth manager. The Lifetime ISA was an interesting development (we issued an immediate press release), and the increase in ISA allowance from 6 April 2017 to £20,000 was

another positive piece of news.

There were no changes to pensions legislation (other than some slight refinements to the flexible pensions legislation). There was no attack on salary sacrifice: once again this was another crusade we have been fighting on behalf of the public and our members.

There were no changes to VCTs and EIS rules, which means we still have great and legitimate tax planning opportunities using these vehicles. In my day job, I use packaged product versions of VCT and EIS which are regulated by FCA so I am limited to what I can say in an article like this. However, as way of an example, in a conversation last month at one of my many dinners I attended, I was chatting to an accountant who was expressing their frustration at clients who act before seeking advice. The accountant explained that one of her clients had sold a buy to let and created a capital gains tax liability. Her frustration was that the client never sought her advice and had bought it in his name, not jointly with his wife and now was left with a CGT bill a lot larger than necessary. The accountant said to me ‘and now there is nothing I can do about it’. I said: ‘Well actually there is’. An EIS investment made within three years of the chargeable gain, for the same amount of the chargeable gain which in this example was only £20,000 (but resulting in a potential tax bill of £5,600) would mean that the client could get 58% tax back (£11,600 tax back on a £20,000 chargeable gain). The client would get 30% income tax relief and 28% capital gains tax back. The client could then transfer some of the shares to his wife and in three years they could extinguish the capital gains tax liability in full.

The EIS/VCTs I use are generally classified as ‘upper medium risk’, so that is the catch – but for many of my clients it is mainstream planning with fantastic tax benefits and an area that our members in practice should learn more about to help their clients.

So, from my perspective, it was a good Budget.

The Branches Conference

I will finish this month’s article with a review of the Branches Conference. Thanks to Emma for a great job pulling it all together. It was great to share so many ideas with other branches. All were volunteers, but everyone there was passionate about improving the branch offering. I thoroughly enjoyed my time at Warwick mixing with

the branch volunteers.

We spent a lot of time analysing the member survey. My only request to all our members is that if you receive a survey from the ATT, please complete it; it really does help us develop exactly what you want from your professional body. We had about a 5% response rate, so we need to treat the results with caution, but there were common themes emerging across the regions.

There was a significant amount of requests for Webinars and that is something we are going to look into delivering and I have my own ideas how me may be able to deliver technical training to your laptop, so watch this space!

Thanks to everyone who made March 2016 a great month to be associated with the ATT.