



Anita Gatehouse
Your Lifestyle's Financial Expert

ISA's – your best defence against the latest tax grab

The cut to the tax-free dividend allowance from £5,000 to £2,000 from April 2018 is a bitter pill from the Chancellor.

The move, which was the biggest revenue-raiser in the Budget, will create losers but no winners. His aim is to discourage small company owners from the practice of drawing dividends instead of salaries, thereby reducing their tax bills. However, the change will also impact on savers with investment portfolios who will, unfortunately, become collateral damage.

A basic rate tax payer with £5,000 dividend income, who at present pays no tax on this, will have to pay £225. Higher rate tax payers and top rate taxpayers will face bills of £975 and £1,143 respectively, so quite a change.

The good news is that with this year's ISA allowance now standing at £20,000, sheltering your investments by fully using ISAs has become even more important. If you have been smart enough to have made full use of your ISA allowances in the past, you could be sitting on a very tidy tax free pot which has just become even more useful.

It might be worth noting that any cash ISAs you already have in place can be changed into stocks and shares ISAs but it is wise to take some advice to make sure that this is indeed appropriate for your personal circumstances. More than ever, the tax system with the many different allowances available has become more complex and difficult to navigate.

Remember, if you don't use it, you lose it.

I would also like to take this opportunity to introduce you to Siobhan Record who has recently joined the team at cre8 wealth management as a financial planner.



Siobhan brings a wealth of knowledge with her and shares the same dedication to her clients that I do. She has a particular interest in helping clients dealing with divorce and I am sure she will add a great deal of value to the services offered at cre8 both now and going forward.

If you would like a free 30 minute meeting to discuss your own position, telephone Jo on 01562 745730 to book an appointment.

If you're not sure, have a look at what our clients say about us on our website: www.cre8wm.co.uk



Our clients have rated us one of the top advisers in the UK.
Why not pop in for a coffee and take advantage of our free one hour

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