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Business Relief-qualifying investments and trusts

An Octopus guide

octopus investments
A brighter way

About this guide

This guide does not constitute advice on investments, legal matters, taxation or any other matters. The examples of how Business Relief (BR)-qualifying investments can be used in relation to trusts are designed to assist you in developing your own client strategy where appropriate. Among other things, you will need to consider the eligibility and timings of tax reclaims and tax liabilities depicted, the implication of other tax charges, as well as the impact of charges relevant to any specific product you have chosen. Any recommendation should be based on a holistic review of a client's financial situation, objectives, needs and attitude towards risk.

- Inheritance tax investments are high-risk. The value of an investment, and any income from it, can fall as well as rise. You may not get back the full amount you invest.
- Tax treatment depends on individual circumstances and tax rules may change in the future. Tax relief depends on portfolio companies maintaining their qualifying status.
- The shares of smaller companies could fall or rise in value more than other shares listed on the main market of the London Stock Exchange. They may also be harder to sell.

Investors should read the product brochure before deciding to invest, this can be found at octopusinvestments.com.

This document has been prepared in good faith and is based on our understanding and interpretation of the current law, which may change in the future.

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Trusts and BR: a complementary relationship

Inheritance tax affects thousands of families every year. HM Revenue & Customs (HMRC) collected £5.7 billion in inheritance tax receipts in April 2024 to November 2024¹. The Treasury expects annual inheritance tax receipts to top £9.7 billion by 2028/29.²

Settling assets into trust can be an attractive way for many people to pass assets down from one generation to the next. However, trusts also come with limitations, most notably the time it takes for assets settled into trust to cease to be part of the settlor's estate when they die. Additionally, since 2006, the entry, exit and periodic charges applied to discretionary trusts can make settling significant amounts into trusts unattractive.

Investments that qualify for Business Relief (BR) can be passed on with relief from inheritance tax upon the death of the shareholder, provided the shares have been owned for at least two years. BR-qualifying assets can also be settled into relevant property trusts, potentially mitigating entry, exit and periodic charges.

¹HMRC Tax & NIC Receipts, December 2024. ²Office for Budget Responsibility, November 2024. ³Tax Efficient Review, May 2025.

BR-qualifying investments may be attractive in their own right to clients who are keen to plan for their estate through investing in smaller companies. Qualifying investments may also complement trust planning, enabling clients to make the most of the flexibility and control offered by trusts and passing on more of their wealth in the process. In this guide, we focus on four examples where BR-qualifying investments can complement the use of trusts.

If you are interested in finding out more about BR-qualifying investments, talk to us. Octopus is the largest provider of BR-qualifying investments.³ If you need any further information on anything contained in this guide, please contact our Business Development team on **0800 316 2067**.

Please remember, the value of an investment, and any income from it, could fall or rise. Investors may not get back the full amount they invest. We can't guarantee that tax rules won't change in the future. The value of tax reliefs will depend on the investor's personal circumstances.

**BR-qualifying investments and trusts
can create a more holistic approach to
estate planning.**

BR explained

BR has been an established part of inheritance tax legislation since 1976. When it was introduced, the main aim of BR was to ensure that after the death of its owner, a family-owned business could survive as a trading entity without having to be sold or broken up to pay an inheritance tax liability. Over time, successive governments have intentionally expanded BR so that now it is also an investment incentive for private investors.

BR as an investment incentive

BR is a tax relief that encourages people to invest in trading businesses, regardless of whether they run the business themselves. It specifically rewards those investors willing to accept the additional risk of investing in companies that aren't listed on the main market of the London Stock Exchange.

Which holdings qualify for BR?

Not every business will be BR-qualifying. Broadly speaking, investments that carry on a trade rather than investment activities could qualify for BR, including:

- Shares in qualifying companies that are not listed on any stock exchange
- Shares in qualifying companies listed on the Alternative Investment Market (AIM)
- An interest in a qualifying business, such as a partnership or soletrader

For deaths before 6 April 2026, Business Relief investments (AIM or unquoted shares) held for two years attract 100% inheritance tax relief. From 6 April 2026 a 100% inheritance tax relief will continue for the first £2.5 million of combined agricultural and unquoted Business Relief qualifying property (e.g. sole traders, partnerships, unquoted companies). Amounts over the £2.5 million will attract 50% inheritance tax relief. Business Relief qualifying companies listed on the Alternative Investment Market (AIM), will attract 50% inheritance tax relief irrespective of the investment amount.

Portfolios of BR-qualifying companies

In addition to private qualifying businesses, investors can choose from a range of BR-qualifying investments managed by professional fund managers, such as Octopus Investments. These can cater for different client requirements, for example:

1. Portfolios of unlisted companies

These portfolios can target specific investment objectives, such as predictable growth, liquidity or the potential for significant growth, to meet investor needs in this market.

2. Portfolios of AIM-listed companies

AIM was launched in 1995 and is now home to 704 companies worth more than £71 billion¹ combined. Portfolios of AIM companies typically target growth. However, not all companies on AIM will meet the criteria to be eligible for BR, so careful stock selection and portfolio management are key.

¹Source: London Stock Exchange, October 2024.

Individual Savings Accounts (ISAs)

In 2013, the Government made it possible for investors to hold AIM-listed shares in an ISA. Therefore, an ISA that invests specifically in AIM-listed companies expected to qualify for BR can offer inheritance tax relief as well as the traditional ISA benefits of tax-free income and capital growth.

Holding BR-qualifying investments

Investing in BR-qualifying companies means the money invested has the potential to increase in value. Moreover, the shares invested in are held in the investor's name. This means an investor can choose to keep hold of their wealth while planning for inheritance tax, rather than, for example, making lifetime gifts. These investments are high risk, and, as with any investment, there are no guarantees. Investors could lose some or all of their money.

Remember, whether an investment qualifies for BR will be assessed by HMRC at the time a claim for relief is made.

For information on the risks, please see page 9.

BR as part of an estate planning strategy

Provided that a client accepts their high-risk nature, BR-qualifying investments can help satisfy a number of different criteria when compared to traditional estate planning options. For example:

Speed

Whereas a gift typically takes seven years for the estate to achieve relief from inheritance tax, a BR-qualifying investment can be passed on at death with relief from inheritance tax provided it has been held for at least two years.

Access and ownership

Whereas settling assets into trust or gifting permanently removes assets from the client's ownership, shares in BR-qualifying investments continue to be held in the client's name. Subject to liquidity, clients can ask to sell shares and have the proceeds returned to them, or they can set up regular withdrawals to meet changing needs, such as care home fees.

BR-qualifying investments do not use the residence nil rate band (RNRB) and nil rate band (NRB)

Investors can use their £325,000 NRB and £175,000 RNRB allowance to reduce the inheritance tax charge on less liquid assets, such as their home, which are otherwise difficult to remove from the estate when planning for inheritance tax.

BR-qualifying investments should not be considered on their tax benefits alone. Tax incentives are intended to encourage investment in unquoted and smaller companies, given the additional investment risks.

Important risks to consider

BR-qualifying investments will not suit everyone, and it is important that clients understand the risks associated with such an investment.

1. Capital is at risk

The value of a BR-qualifying investment and any income from it, can fall as well as rise. Investors may not get back the full amount they invest.

2. Shares could be more volatile and less liquid

Investments in unquoted companies or those quoted on AIM are likely to have higher levels of volatility. This means the share prices will be less predictable and may rise and fall more than the shares of larger companies. These shares may also be harder to buy and sell.

3. Tax rules and reliefs can change

Tax rules could change in the future. The value of tax reliefs will depend on an investor's personal circumstances. BR is assessed at the time a claim is made and there can be no guarantee that a company will remain BR-qualifying. Tax relief depends on the portfolio companies maintaining their qualifying status.

The tax-planning scenarios on the following pages are designed to help advisers develop appropriate planning strategies for their clients.

Please note, however, that:

- BR is a higher risk investment with a different risk profile to most regular investments.
- Advisers should consider, among other things, the value of tax reliefs for their client.
- You will also need to bear in mind the impact of charges (including initial fee and ongoing fees such as annual management charges) relevant to the products you're considering.

BR and discretionary trusts

Setting up a discretionary trust can ensure that assets are passed from one generation to the next with a degree of flexibility or control as to how the assets are distributed. It can also protect against unexpected future events, such as the divorce of children in the family.

However, in 2006, the Government took steps to ensure that discretionary trusts would not be able to escape inheritance tax indefinitely. As a result, there are four stages where an inheritance tax charge could potentially arise in respect of a discretionary trust:

- 1. The entry charge** – lifetime settlements made into a discretionary trust use up the settlor's nil-rate band in priority. Settlements in excess of the nil-rate band will be subject to a 20% upfront charge to inheritance tax, which is referred to as a 'chargeable lifetime transfer' (CLT).
- 2. The periodic charge** – broadly speaking, this is a 6% charge arising on each ten-year anniversary of the creation of the trust and applied to amounts over the nil-rate band.
- 3. The exit charge** – a charge of up to 6% applied when capital is distributed by the trust, to the extent that the trust capital exceeds the nil-rate band.

- 4. Full charge to inheritance tax** – if the settlor dies within seven years of settling assets into the trust, inheritance tax at up to 40% will be chargeable above the nil-rate band, with a reduction given for the CLT paid when the trust was settled. Amounts settled above the nil-rate band will benefit from taper relief (a reduction of the headline rate of inheritance tax charged) if more than three years have passed since the settlement was made.

Discretionary trusts that were set up prior to the relevant property trust regime will have already paid their first periodic charge. However, in light of the large number of trusts that were set up in 2006 following the changes to the legislation, many professionals will be thinking about the periodic charge in the coming months, and years, ahead. Where a trust is approaching its ten-year anniversary, trustees will have to calculate whether an inheritance tax charge is due and complete a tax return.

Disclaimer: The Autumn Budget 2024 brought changes to BR from 6 April 2026.
A technical consultation is being held by the government in 2025 regarding how BR applies with trusts under the new rules.

To watch a video showing how a BR-qualifying investment can help with trusts in practice, visit this web page:
octopusinvestments.com/trust-scenario.

How a BR-qualifying investment can help

On creation of the trust

A client who has held a BR-qualifying investment for two years chooses to settle it into trust can benefit from facing no CLT for transfers before 6 April 2026, no matter the value settled. Providing the trust continues to hold the qualifying investments, there will be no further inheritance tax to pay if the settlor survives seven years. If the settlor then dies within seven years and after 6 April 2026, the transfer should fall within the new rules such that up to £2.5 million combined agricultural and unquoted BR (e.g. sole trader, partnerships, unquoted companies) should attract 100% inheritance tax relief with the excess attracting 50% IHT relief. And for AIM shares attracting 50% inheritance tax relief. For settlements after 6 April 2026 a 100% inheritance tax relief will continue for the first £2.5 million of combined agricultural and unquoted BR-qualifying property for transfers into trusts. Amounts over the £2.5 million will attract 50% inheritance tax relief. BR-qualifying companies listed on the AIM, will attract 50% inheritance tax relief irrespective of the investment amount.

Where the settlor then dies after 6 April 2026 for settlements made from 30 October 2024, an additional inheritance tax charge may arise. 100% inheritance tax relief would be available up to £2.5 million of unquoted BR-qualifying investments with the excess attracting 50% inheritance tax relief. And AIM shares attracting a flat 50% inheritance tax relief.

During the term of the trust

A trust that was settled with BR-qualifying assets and

that continues to hold them at year ten will have relief from inheritance tax at the periodic charge. Where the periodic charge is before 6 April 2026, 100% inheritance tax relief on BR shares (unquoted or AIM shares) irrespective of value. For periodic charges after 6 April 2026, where assets held are unquoted shares and under £2.5 million there will be no periodic charge to pay attracting 100% inheritance tax relief. Values over £2.5 million should attract 50% inheritance tax relief in the inheritance tax calculation. Where shares held are AIM shares this will attract 50% relief and will not have a £2.5 million allowance.

In addition, when it comes to charges upon exit, the rate applicable to capital distributions is based on the last periodic charge. Therefore, if the trust for example had 100% inheritance tax relief at the last periodic charge at that time, no exit charges should be payable if capital is distributed in the next ten years. Even those trusts that were settled with non-qualifying assets, or which sold down qualifying assets at an earlier date, can plan for the periodic charge by investing in BR-qualifying assets at least two years before the ten-year anniversary date.

Multiple trusts set up by the same settlor after 30 October 2024 will share a £2.5 million unquoted BR allowance for periodic charges and exit charges.

If the assets change

If BR-qualifying investments are settled into trust but later sold by the trustees, a charge to inheritance tax can arise if the settlor dies within seven years of making the settlement. However, if the trustees reinvest all of the proceeds back into BR-qualifying assets within three years of having sold them, inheritance tax relief may still be available.

BR and loan trusts

Loan trusts are a popular way for people to start estate planning at an earlier age. However, a client with a loan trust in place may want to reconsider their options as they get older.

Typically, a client sets up a trust (of which they may be a trustee) for the benefit of someone else, such as their children. The client makes a loan to the trust which is repayable on demand. The trustees are able to invest the loan in order to generate growth for the trust, and ultimately the beneficiaries, over the long term.

One of the biggest advantages to a loan trust is that any growth on the capital invested by the trust is instantly outside of the estate of the settlor (or lender) for inheritance tax purposes.

However, as the original capital has only been loaned to the trust, it still forms part of the settlor's estate, and it will therefore be subject to inheritance tax when they die.

The main benefit of a loan trust is that the client's heirs can receive any capital profits – or growth – with relief from inheritance tax.

How a BR-qualifying investment can help

One potential opportunity would be for the lender to request repayment of the loan when they are revisiting their estate planning options later on and:

- Growth in the loan trust has reached an attractive level.
- The underlying investments have matured or are sufficiently liquid to repay the loan.

The lender could then consider investing the repaid loan capital into a BR-qualifying investment in their own name. Once the BR-qualifying investment has been held for at least two years, the shares can be left with relief from inheritance tax upon the death of the shareholder.

This approach benefits from converting the capital amount of the loan into an inheritance-tax-efficient investment. The growth achieved by the loan trust would continue to be outside of the donor's estate for inheritance tax purposes, and could itself be invested to generate further growth within the trust.



BR and Immediate Post Death Interest (IPDI) trusts

Second marriages are increasingly common, including those where both partners have children from a previous marriage. This can present challenges from an estate planning perspective.

While each party may have agreed that their own money will be passed to their own children upon their death, one spouse may benefit from a higher lifetime income, such as a pension. This can mean they want to ensure that their spouse receives sufficient financial support during the remainder of their spouse's lifetime, but also wish to ensure that the remainder of their assets will be passed to their children upon the spouse's death.

One potential solution would be to draft the will with intentions that include:

- Income arising from the more wealthy partner's capital to be left to the spouse.
- Upon the second partner's death, the capital to be distributed to the first partner's children (the 'remaindermen').

This creates an Immediate Post-Death Interest (IPDI) trust, also known as an 'Interest in Possession' trust, which gives the spouse (who then becomes the 'life tenant' or 'lifetime beneficiary') the right to receive an income from their partner's capital for the rest of their lifetime.

However, although the spouse can't give away or access the trust capital, it still forms part of their death estate, so it will potentially be liable to inheritance tax when they die.

IPDI trusts can be used to protect the whole estate of the first spouse to die; however, they are more commonly used to protect specific assets, such as a home or investment portfolio.

How a BR-qualifying investment can help

Depending on the terms of the trust, one potential solution would be for the trust to invest in BR-qualifying shares. Once the shares have been held for at least two years, they can be left to the remaindermen with relief from inheritance tax upon the death of the spouse. Choosing the most appropriate BR-qualifying investment can help balance the demand for income during the lifetime of the second partner, along with the beneficiaries' desire to maximise or preserve their inheritance.

For elderly clients who are considering including an IPDI trust in their will, it may be interesting to note that BR-qualifying investments could be made during their lifetime and left to the trust upon their death. Providing the joint period of ownership prior to the death of the spouse (life tenant) exceeds two years, inheritance tax relief should be available on those assets upon their death.



BR and the residence nil-rate band

The Finance Bill of 2015 introduced the 'residence nil-rate band' which can be used to offset an inheritance tax bill when a residence is passed down to direct descendants (children or grandchildren).

The allowance applies to deaths after April 2017 and reached its maximum of £175,000 per person in April 2020. Both the nil-rate band, which is £325,000, and the residence nil-rate band, are frozen until 2030.

Moreover, while estates valued at over £2 million will continue to benefit from the existing nil-rate band, the residence nil-rate band will be reduced at a rate of £1 for every £2 by which the estate exceeds £2 million. This means that larger estates will lose the benefit of the new allowance altogether.

For couples with a combined estate of £4 million or less, this problem may not be apparent when the first partner dies. But if, as is typical, the estate is left to their surviving spouse, then the value of the estate of the second spouse to die could be far in excess of £2 million, removing the ability for the estate to claim the additional residence nil-rate band allowance.

IPDI trusts can be used to protect the whole estate of the first spouse to die; however, they are more commonly used to protect specific assets, such as a home or investment portfolio.

How a BR-qualifying investment can help

Assets moved into trust during someone's lifetime should not form part of their estate when assessing whether the estate qualifies for the allowance. Taking this step at an early age may be unattractive to some clients – for example, due to loss of access to capital and uncertainty over future income and capital needs. However, giving away assets later on will not prevent an inheritance tax charge from arising on the gift or settlement where the client doesn't live for a further seven years.

A client with a large estate could consider investing into BR-qualifying investments during their lifetime, benefiting from the flexibility and access to their investment for a number of years. Later on, they might consider whether transferring some, or all, of this investment into trust could be advantageous.

For example, they might be thinking more closely about who should be beneficiaries of their estate, or they might be seeking to avoid a lengthy probate process.

By settling BR-qualifying investments into discretionary trust, a client would not be subject to the initial 20% chargeable lifetime transfer. In addition, the assets will not be subject to an inheritance tax charge, even if the settlor dies within seven years, providing they continue to be held by the trustees. The settlor's nil-rate band would also be unused, and so available to set against other assets in the estate.

If the settlement reduces the value of their estate to below £2 million, it could additionally benefit from the new residence nil-rate band that would otherwise not be available. This will additionally save up to £140,000 per couple.

Additional client scenarios

There are many other ways in which BR-qualifying investments can assist clients with estate planning challenges:

Clients who are elderly or in poor health

An investment in BR-qualifying companies becomes relief from inheritance tax after just two years, instead of the seven years it takes for gifts or settlements in trust to become inheritance tax relief. Unlike with life assurance or discounted gift trusts, there is no medical assessment to undertake. Moreover, if an investor dies before they have held their BR investment for two years, they can leave it to their husband or wife without interrupting the countdown to inheritance tax relief – the surviving spouse doesn't have to start from scratch and wait a further two years.

Clients who want to keep control over their wealth

BR-qualifying investments provide relief from inheritance tax and so can be held in the client's name while still forming part of a tax-efficient strategy. Investors remain in control of their wealth and with access if they need it in the future – for example, to meet care fees that were not foreseen in younger years.

Clients with a discounted gift trust (DGT)

A DGT might be attractive for a portion of a client's estate due to the immediate discount for inheritance tax purposes that it can offer. However, there is often a

cap on the amount a client would want to invest, both because of the lack of flexibility once the DGT has been established and due to the potential tax charges above a certain settlement value. Therefore, a portion of the remaining investable estate could be used to make investments that qualify for BR. They should provide relief from inheritance tax in two years and will remain within the client's control. This can provide greater flexibility in the event that unforeseen circumstances result in income from the DGT being insufficient.

Clients with pensions who want to return to an inheritance tax position

Undrawn pension pots will be subject to inheritance tax for deaths occurring after 6 April 2027. Additionally the undrawn pension pot of someone who dies aged over 75 risks being subject to inheritance tax on the gross value, then income tax at up to 45% levied on beneficiaries as drawn. And as undrawn pensions may prevent RNRB planning from being undertaken, the total tax loss on the undrawn pot could be above 80%. A combination of pension drawdown, investments in Business Relief (BR), and gifts from regular income could quickly return a client to an efficient inheritance position while retaining access to wealth.

Clients with a lasting power of attorney in place

As BR-qualifying investments are simply investments in shares, they remain the property of the investor and therefore do not present the same challenges for an attorney as making gifts or settling assets into trusts do.

High-net-worth clients who have set up a Family Investment Company (FIC)

Certain BR-qualifying investments may appeal to families looking to plan for future generations by managing some of their family's wealth in a limited company.

Clients with large sums in Individual Savings Accounts (ISAs)

Many people are not aware that their ISAs will be subject to inheritance tax. Since 2013, investors have been able to access the AIM market through ISAs. Therefore, provided an ISA invests only in companies that qualify for BR, it can offer inheritance tax relief as well as the traditional ISA benefits of tax-free income and capital growth.

For more details on the types of clients who could benefit from BR-qualifying investments, please call our Business Development team on **0800 316 2067**.

How Octopus can help

Intergenerational planning team

Our team is made up of specialists who support financial advisers, executors, and families before and after a client passes away. Their mission is to ensure the probate process is as smooth as possible, and that beneficiaries are empowered to make informed financial decisions and we support you as financial advisers to retain clients and take on the next generation.

How we work with advisers

Every adviser is different, and so is every family. That's why we offer a bespoke service—some advisers want to be involved at every stage, others prefer to step in post-Grant of Probate. We adapt to their preferences, always keeping them in the loop and making sure their clients and their families feel supported.

We also provide other tools, for example, help with drawing family trees, and offer practical tips to start sensitive conversations. Whether it's releasing funds to HMRC pre-probate, transferring shares, or simply being a point of contact, we're here to make their life easier and their intergenerational relationships stronger.

Octopus Legacy

Octopus Legacy, part of the Octopus Group, offers legal, practical and emotional support with estate planning and following a bereavement. Services include wills, power of attorney, grant of probate and professional executorship.

To find out how Octopus Legacy can help you plan with confidence and ensure your wishes are carried out smoothly, speak to your financial adviser.

Please speak to your Octopus Investments contact to find out more.

Get in touch with us on **0800 294 6826** or visit <https://octopusinvestments.com/helping-you-plan-for-when-a-client-passes-away/>.

Ask Octopus - the estate planning helpdesk

We know estate and tax planning isn't always straightforward. Let our team of experts help you cut through the complexity. Have a technical question about estate planning or inheritance tax? Need help clarifying the tax rules in relation to a client's estate planning? Need to understand some of the legalities of estate planning such as wills, probate and more? Simply fill out your details at octopusinvestments.com/ask-octopus/ and your question and one of our team of experts will get back to you. If you prefer you could also book a meeting.

Please remember, we can only offer guidance and nothing should be viewed as advice on investments, legal matters, taxation or any other matters.

The Knowledge Base – a deep dive into estate planning

We offer a comprehensive suite of new technical whitepapers and supporting guides to help you with the technicalities of all things inheritance tax and estate planning. Find technical whitepapers, guides, calculators and planning scenarios at octopusinvestments.com/knowledge-base/.

About Octopus

When we launched Octopus in 2000, we wanted to create an investment company that put its customers first. We started by looking at what didn't work very well, and we found ways to do things differently.

Today, we have more than £10 billion¹ in assets under management. We work with tens of thousands of clients, and we've built market-leading positions in tax-efficient investments, smaller company financing, renewable energy and healthcare. But no matter how big we get, we'll keep doing the simple things well and we'll keep looking after each of our customers, day in, day out.



We are a Certified B Corporation™. This requires us to meet the highest standards of social and environmental consideration, transparency and accountability. We care about this because companies that understand their impact on the world are better equipped to create value for their stakeholders and drive change.

Supporting financial advisers, solicitors and accountants

We're very appreciative of the support of the professionals who recommend our products, and we're always looking for ways to give something back. We have more than 50 dedicated support staff working in our adviser support team.

We also host regular events covering tax planning as well as broader industry developments. These events are a great way to share information and connect with like-minded investment professionals. Attending an Octopus-run event will usually earn a Continuous Professional Development (CPD) certificate.

¹30 September 2025. Funds Under Management data includes undrawn commitments, funds under advisory mandates and funds monitored, and is based upon the latest information available at the time of the calculation. The figure includes Octopus Investments, Octopus AIF Management and Octopus Investments Australia.

BR-qualifying investments from Octopus

Octopus is the UK's largest provider of investments that qualify for BR. We have been managing a range of investment services capable of meeting specific estate planning needs since 2005. Each service aims to achieve inheritance tax relief after just two years, while ensuring investors are able to keep access to their investment.

The Octopus Inheritance Tax Service gives investors the opportunity to invest in the shares of one or more unquoted UK companies that are having a positive impact on the growth of the UK economy. The investment has the aim of predictable growth and delivering a consistent, but modest, level of return.

OITSPPlus invests in the same BR-qualifying companies as the Octopus Inheritance Tax Service, but eligible investors can benefit from our two-year insurance cover. This means that if an eligible advised investor dies within the two-year qualifying period required to achieve relief from inheritance tax, our insurance will help pay any IHT liability.

The Octopus AIM Inheritance Tax Service is managed by one of the most experienced smaller companies teams operating in the UK. The portfolio targets growth from a portfolio of 25–30 companies listed on the Alternative Investment Market.

Important risks to bear in mind

The Octopus Inheritance Tax Service, OITSPPlus and Octopus AIM Inheritance Service are discretionary managed services invested in companies that are expected to qualify for BR.

Tax reliefs described are based on current legislation and interpretation which may change in the future and the benefit of which will depend on an investor's personal circumstances.

BR is assessed when a claim for relief is made, so the investment must qualify at that time in order for relief to be available.

BR-qualifying investments are high-risk. The value of an investment, and any income from it, can fall as well as rise. You may not get back the full amount you invest.

Tax treatment depends on individual circumstances and tax rules could change in the future.

Tax relief depends on portfolio companies maintaining their qualifying status.

The shares of unquoted companies could fall or rise in value more than shares listed on the main market of the London Stock Exchange. They may also be harder to sell.

For OITSPPlus investors, the benefits offered by Octopus' Insurance Policy only apply to eligible deaths. Ineligible deaths, or a misrepresentation in the health declaration could result in the Insurer refusing to settle a claim under the Insurance Policy.



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