TriplePoint

Horizon Series

TAX PLANNING FOR LIFE'S KEY EVENTS

COMPLIANCE FIRST-NOVEMBER 2024

Important information

For investment professionals only.

The investments discussed in this presentation are NOT suitable for all investors. Triple Point does not provide investment or tax advice and information in this presentation should not be construed as such; potential investors should speak to a financial adviser.

As with all investments, our products place capital at risk. Investors may not get back the full amount invested and interest is not guaranteed. Past performance is not a guide to future performance. Investments in unquoted shares carry a higher risk than investments in quoted shares and are illiquid. Tax treatment will depend on your individual circumstances and may be subject to change in the future.

Prospective investors should carefully read the terms and risk factors set out in the corresponding Information Memorandum and Investor Agreements.

This financial promotion has been issued by Triple Point Group which is authorised and regulated by the Financial Conduct Authority. This includes Triple Point Investment Management LLP no. 456597, and Triple Point Administration LLP no. 618187.

Learning Objectives

1. Understand the tax-efficient marketplace and the benefits offered to investors

2. Identify some of the key planning areas for tax-efficient investments

3. Understand the diversification opportunity offered by tax-efficient investments

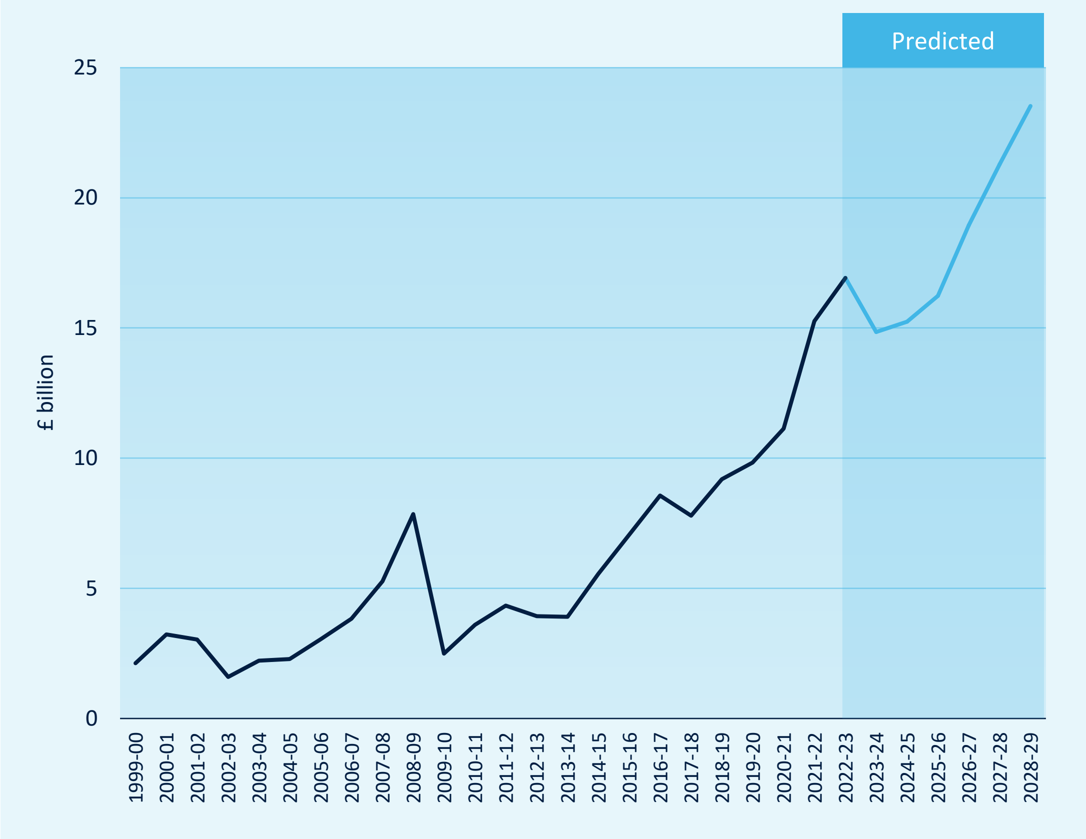
The tax landscape is changing

Tax relief	2022/23	2023/24	2024/25
Dividend allowance	£2,000	£1,000	£500
CGT allowance	£12,300	£6,000	£3,000
Additional rate tax band	£150,000	£125,140	£125,140
Annual pension allowance	£40,000	£60,000	£60,000
Lifetime allowance	£1,073,100	No limit	No limit
Personal allowance	£12,570	£12,570	£12,570
Nil Rate Band	£325,000	£325,000	£325,000

Tax reliefs may be subject to change

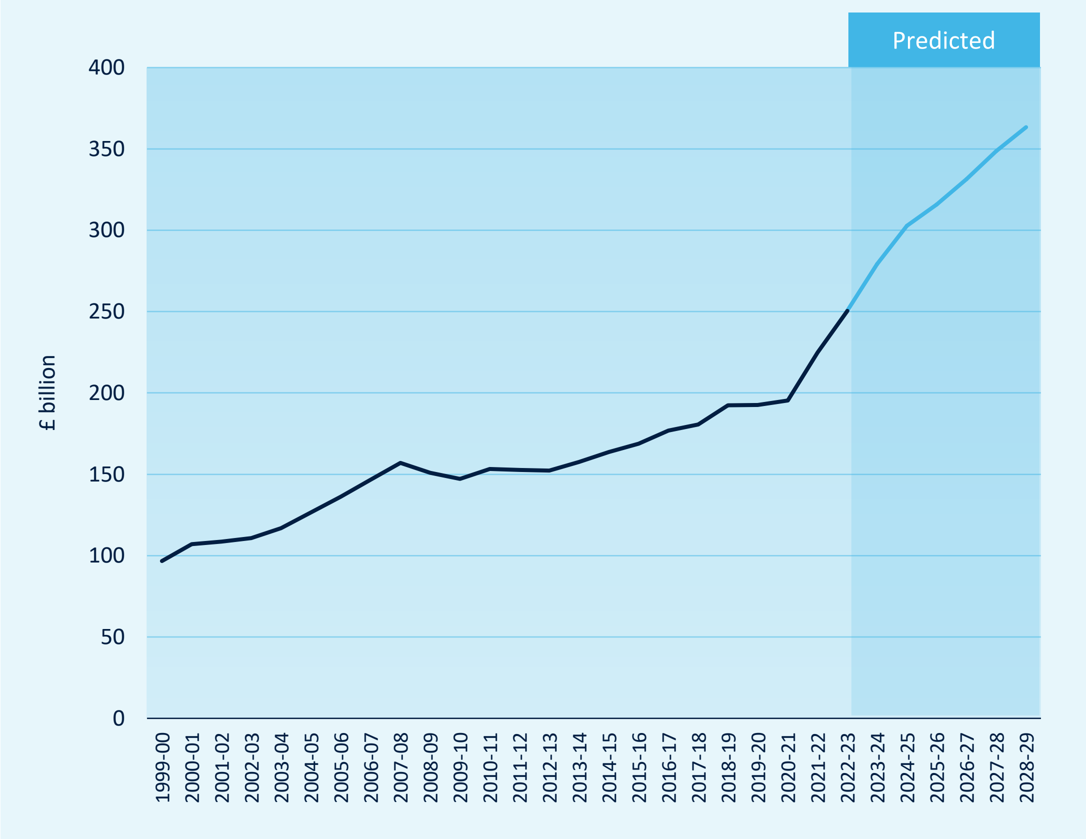
The tax raise is expected to rise

Receipts from Capital Gains Tax



Source: ONS, OBR, March 2024

Receipts from Income Tax



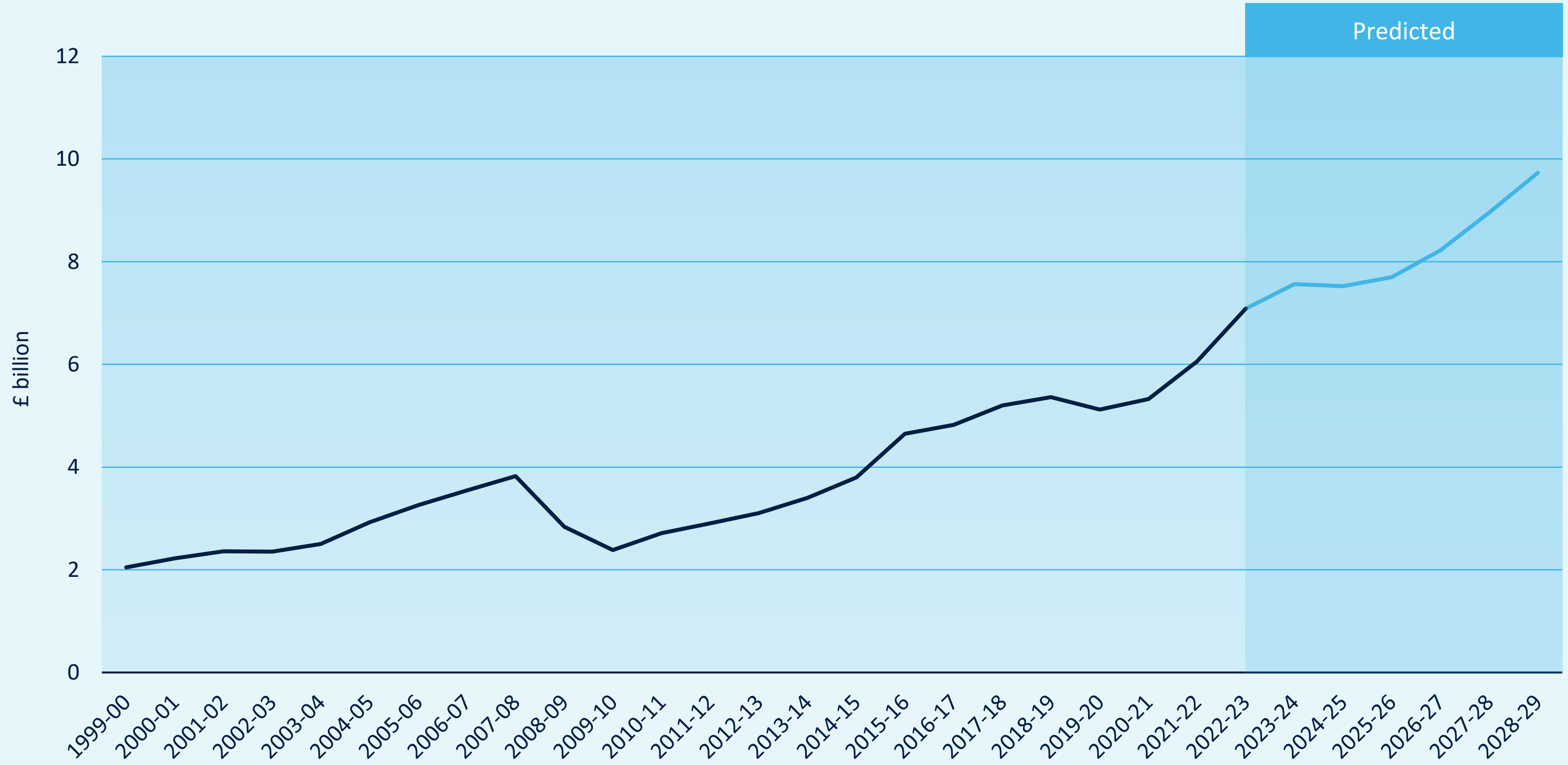
Source: ONS, OBR, March 2024

The tax raise is expected to rise

IHT receipts were £7.5bn for 2023/24 year.

Inheritance Tax – latest forecast

This chart shows inheritance tax receipts in cash terms



Source: ONS, OBR, March 2024

Venture Capital Trusts

- **First launched in 1995**
- **Encourage private capital to invest in early-stage companies**
- **Over £3bn raised in the last 3 tax years**

The benefits of investing in Venture Capital Trusts

Income tax relief	Up to 30% upfront income tax relief on investments of up to £200,000 per tax year, providing the shares are held for at least five years
Tax free dividends	The dividends are free from income tax
Tax free growth	No capital gains tax on the sale of shares

Tax treatment depends on the individual circumstances of each client and is subject to change.
Tax reliefs depend on the investee companies maintaining their qualifying status.

Business Relief

Some of the ways to access Business Relief

- A client’s own business
- Unquoted Business Relief (BR) providers
- Alternative Investment Market (AIM) shares
- Enterprise Investment Schemes (EIS)

Benefits of Business Relief

- Shares exempt from IHT providing they have been held for two out of the last five years and on death
- Interspousal transfer
- Control
- Access
- Simplicity

Planning Scenarios

Planning scenario 1

The scenario

Ben is married, in his early 40s and has a young daughter called Maia.

Ben receives a work bonus of £50,000 and arranges a meeting with his financial adviser for advice on how to invest it.
He doesn't want to put it into a pension, as he would prefer not to have the money tied up until he retires.

Ben wants to invest the money as tax-efficiently as possible, as he would like to reduce his tax burden.

Ben asks his financial adviser to provide some options.

Planning scenario 1

A potential solution

£50,000
investment into a VCT

Generates £15,000
Off income tax bill

+

Creates tax-free
dividend stream

This scenario is for illustrative purposes only and should not be construed as advice.
Tax reliefs are subject to change and depend on individual circumstances.

Planning scenario 2

The scenario

Ben is now in his early 50s.

He left his salaried job to set up his own limited company, and after a few successful years, there is currently excess cash in the business.

He talks to his financial adviser about what he can do with the excess cash in his business.

Planning scenario 2

A potential solution

Without VCT

Salary of £12,570
This falls within the personal allowance and is free from income tax (earnt income)

£50,000 dividend paid
£500 tax free allowance

Total Tax paid
£7,406

Total amount after tax
£55,164

With VCT

£24,687 investment
into VCT

Generates £7,406
of income tax relief

And a target tax free income stream of
5% p.a.

Net position **£62,570** with tax-free income from investment, including **£24,687** invested into a VCT

+ **Tax-Free Dividend**

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Planning scenario 2

The scenario

	Year 1	Year 2	Year 3	Year 4	Year 5
VCT Investment	£50k	£50k	£50k	£50k	£50k
Cumulative Investment	£50k	£100k	£150k	£200k	£250k
30% Income Tax Rebate	£15k	£15k	£15k	£15k	£15k
Cumulative Income Tax Rebate	£15k	£30k	£45k	£60k	£75k
Dividends @ 5% from the VCT portfolio	£2.5k	£5k	£7.5k	£10k	£12.5k
Annual 'income' (Annual Income Rebate + dividends)	£17.5k	£20k	£22.5k	£25k	27.5k
	Reinvest in Year 6	Reinvest in Year 7	Reinvest in Year 8	Reinvest in Year 9	Reinvest in Year 10

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Planning scenario 3

The scenario

Ben is now in his early 60s and arranges a meeting with his financial adviser regarding his mother, Julia.

She has an estate worth £1.8m, significant pension income, and a stocks and shares portfolio.

The Estate will benefit from two Residence Nil Rate Bands (RNRB) and two Nil Rate Bands (NRB) and Julia has expressed her wish for as much of her assets to be passed down as possible.

Maia, now in her 20s has a child of her own, and Ben's mother Julia would like to leave some money for her.

Planning scenario 3

A potential solution

Julia's original stocks and shares portfolio

£400,000

Keep original share portfolio	Sell down and invest in BR-qualifying share
£400,000	**£400,000**
Value after two years:	Value after two years:
£400,000	**£400,000**

Julia dies after three years

IHT bill on share portfolio	IHT bill on BR-qualifying portfolio
£400,000 x 40% = £160,000	**£400,000 x 0% = £0**
Passed on to beneficiaries	Passed on to beneficiaries
£240,000	**£400,000**

That's a saving of **£160,000**

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Planning scenario 4:

The scenario

Julia passed away 3 years after she did some IHT planning and Ben has contacted his financial adviser about what to do next.

Julia left her Business Relief-qualifying shares to Ben.

What are the options when an estate leaves BR Qualifying Assets?

1. Ask us to transfer the investment to the beneficiaries once probate is granted. Provided the portfolio had been held for a minimum of two years at the time of the investors death, the shares the beneficiaries inherit should qualify for Business Relief without restarting the two-year holding period.

2. Ask us to sell the investment once probate is granted

3. Ask us to use the investment to pay an outstanding IHT bill due on the estate

In cases where the estate has multiple beneficiaries, the executors can instruct us to carry out a combination of these options, transferring a portion of the investment to some beneficiaries while paying out a share of the proceeds to others.

Planning scenario 5:

The scenario

Ben has retired and is now drawing down on his pension.

He still owns his business but leaves the day-to-day running to someone else.

Ben is keen to maintain a healthy level of income during his retirement, but he also wants to pay as little tax as possible.

His financial adviser talks to him about using VCTs to offset against his pension income.

Planning scenario 5:

A potential solution

Without VCT

£50,000
Pension income

25% Tax free cash
£37,500 subject to income tax

£12,570
income tax free allowance

£24,930
Subject to income tax

£4,986
income tax bill

With VCT

£16,620
Investment into a VCT

£4,986
30% income tax relief

+

Tax-Free Dividend

+

£16,620
Investment into a VCT will offset the income tax bill completely

This scenario is for illustrative purposes only and should not be construed as advice.
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Planning scenarios tax efficient investments can help with

Business Relief	VCTs	Corporate Estate Planning Service	Income Service
Clients looking for a two-year IHT solution	As part of a diversified portfolio	Investing surplus cash	Investing surplus cash in a business
Clients looking to plan for IHT whilst retaining access and control	Clients looking at alternatives to pension planning	Regaining trading status for a business	Clients who have an investment horizon of 1-5 years
IHT planning with a Power of Attorney	Offsetting tax on rental income	Establishing a private trading company	Access to uncorrelated assets
BR-qualifying businesses sold in the last three years	Extracting profits from a business tax efficiently	Converting a property or investment company into a trading company	Clients seeking a yield
Clients looking to settle assets into discretionary trust tax efficiently	Selling a bond with a chargeable gain		Clients considering alternative investments
IPDI trusts	Offsetting tax on pension income		Clients looking to diversify their ISA investments

Capital as at risk. Some of these products are not suitable for all investors.

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About Triple Point

At Triple Point, our investments are designed to help solve people's problems, whether that means growing their wealth, leaving a legacy, or simply investing in the things that matter to them.

We have helped to support…

Over 16,000
Investors

Over 4,500
Advisers

£3.7 billion+
AUM

240+
People employed at TP

20 Years
Industry Experience

To find out more about how Triple Point can help you, visit triplepoint.co.uk.

Source: Triple Point as at 31/12/2023

Triple Point Venture VCT

It pays to invest early

B2B companies mean better potential returns

Diversification is the key to a well-rounded portfolio

Triple Point Estate Planning Service

Generations Strategy

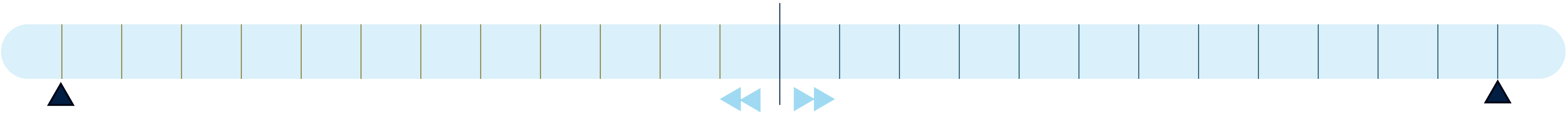
Targets annual returns of
1.5% - 2.5%

Lending and leasing to Corporates & the Public Sector

Navigator Strategy

Targets annual returns of
4.0% - 6.0%

Lending and leasing
To SMEs



100%
Generations Strategy

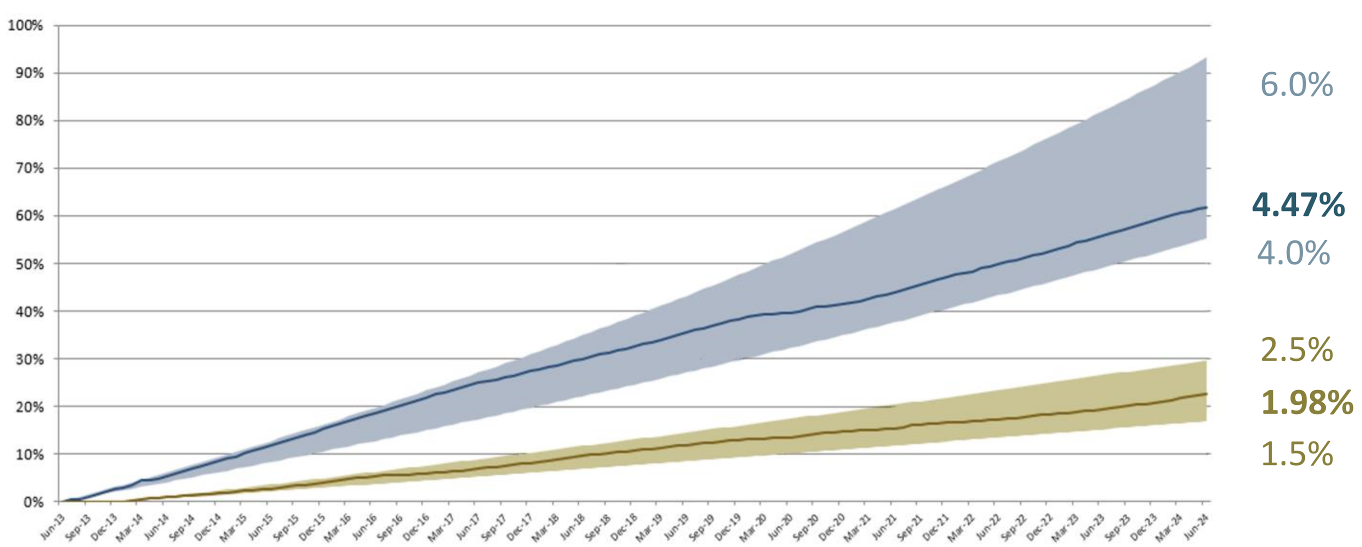
100%
Navigator Strategy

Target returns are not guaranteed.

Triple Point Estate Planning Service - performance

Target annual shareholder returns of 1.5% – 2.5% for Generations Strategy and 4% – 6% for Navigator Strategy (after Triple Point annual charges)

Generations Strategy and Navigator Strategy



Source: Triple Point as at 30/06/2024.

Cumulative performance (as at 30/06/2024)					
	3 month	6 month	12 month	3 year	5 year
Navigator	0.8%	1.7%	3.8%	12.4%	19.5%
Generations	0.7%	1.6%	2.7%	6.3%	9.6%

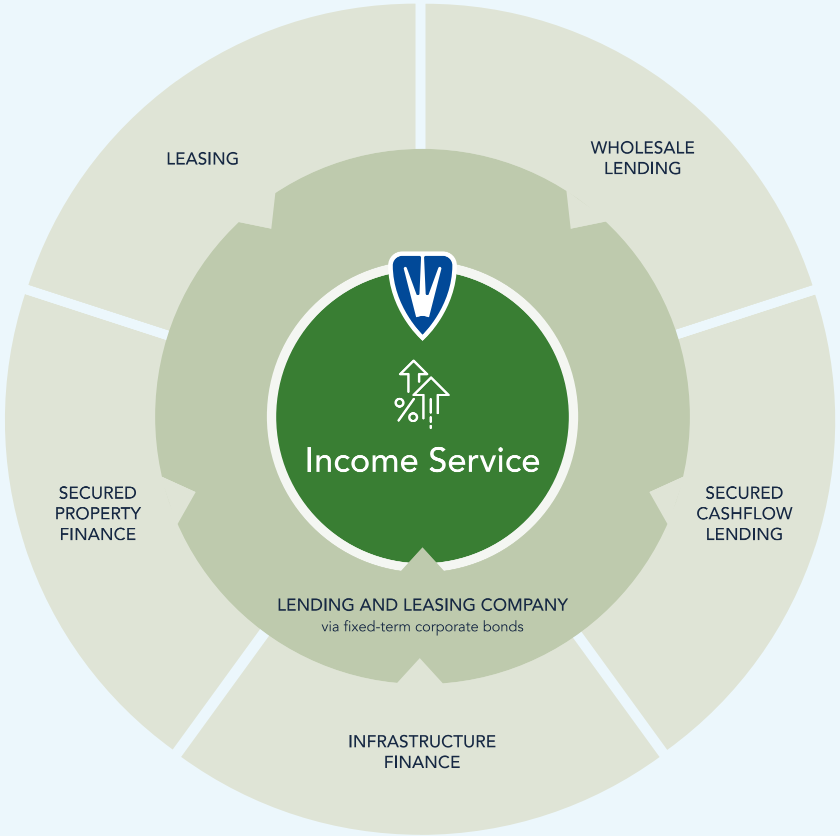
Calendar year performance					
	2023	2022	2021	2020	2019
Navigator	4.2%	3.8%	4.0%	2.2%	4.4%
Generations	2.0%	1.6%	1.7%	1.5%	2.1%

Past performance is not a guide to future performance and may not be repeated. Target returns may not be achieved.

Triple Point Income Service

Term	Monthly Income	Maturity Income
	Annual Return	Annual Return
1 Year	6.80%	7.02%
2 Years	6.90%	7.12%
3 Years	7.75%	8.03%
4 Years	An investor choosing a 4 or 5 year term will receive the best available rate on investment, which may be a single bond or series of consecutive bonds.	
5 Years		
Tax Free through our ISA or selected SIPPs	Investors into the Service can benefit from tax-free interest by opening an Innovative Finance ISA. Investments through the Service can also be held in selected SIPPs and SSASs.	

100% of your investment, net of any adviser facilitated charges, is used by the lending business which issues your bond(s). Where commission is due this is paid by Triple Point.



For more information on investing in an IFISA and understanding the risks connected, see the Information Memorandum. These are the rates available to investors accessing the Service via a financial adviser. Different rates may be applicable for investors accessing the Service directly.

How we can support you

- Telephone and regional based BDM team
- Webinars
- Roadshows
- Planning scenarios
- Example suitability reports

Thank You!