

A NEW TAX YEAR STARTS ON MONDAY 6 APRIL FIND OUT THE CHANGES HERE

With the end of the tax year approaching on 5 April 2026, there is still time for individuals and business owners to review their affairs and take advantage of any remaining tax planning opportunities. Acting before the year end can help ensure that available reliefs and allowances are not lost.

REVIEW YOUR PERSONAL ALLOWANCES

One of the simplest checks is to confirm that personal allowances are being fully used. For the 2025-26 tax year most individuals have a personal allowance of £12,570. Where a spouse or civil partner has little or no income, it may also be worth considering the Marriage Allowance transfer, which can allow part of the unused allowance to be transferred to a basic rate taxpayer partner.

MAKE USE OF ISA AND PENSION CONTRIBUTIONS

The annual ISA allowance for the current tax year is £20,000. Contributions must be made before 5 April 2026 in order to benefit from tax free investment growth and income.

Pension contributions should also be reviewed. Individuals can normally contribute up to £60,000 in the year, subject to earnings and any available carry forward relief. Pension contributions can also provide valuable income tax relief.

CHECK CAPITAL GAINS POSITION

If you are planning to dispose of investments or other assets, it may be worth considering whether gains can be realised before the end of the tax year. Every individual has an annual capital gains tax exemption of £3,000 for the 2025-26 tax year. If unused, this allowance cannot be carried forward.

Spouses and civil partners can also transfer assets between themselves, which may allow two annual exemptions to be used where appropriate.

CONSIDER INHERITANCE TAX GIFT ALLOWANCES

The end of the tax year is also a useful time to consider inheritance tax planning. Individuals can normally make gifts of up to £3,000 each tax year using the annual exemption. If the exemption was not used in the previous year, it may be possible to carry forward one year's unused allowance, potentially allowing gifts of up to £6,000 to be made before 5 April 2026.

Additional small gifts of up to £250 per recipient may also be made each year, provided other exemptions are not used for the same person.



REVIEW DIVIDEND AND SALARY PLANNING

Company directors should review the level of salary and dividends taken during the year. Making additional dividend payments before the tax year end may help utilise available tax bands or allowances.

TAKE ADVICE BEFORE THE DEADLINE

Tax planning opportunities are often time sensitive. With the tax year ending on 5 April 2026, it is sensible to review your position as soon as possible.

If you would like help reviewing your tax position or considering year end planning opportunities, please contact us and we will be pleased to assist.

WE CAN HELP

For more information on any issues raised in this article, call us on **01753 888 211** or email **info@nhllp.com**, we are here to help.