

GIFT INTER VIVOS COVER

A Gift Inter Vivos life assurance policy is one that provides a lump sum to cover the potential IHT liability that could arise if the donor of a gift dies within seven years from the date of making the gift.

The lump sum provided matches the potential IHT liability and reduces in line with the available taper relief.

GIFT COVER						
Cost per year for £1m of single life cover (covering a £2.5m gift)						
	AGE					
	30	40	50	60	70	80
Yr 1	£257	£437	£1,004	£2,417	£6,628	£27,590
Yr 2	£257	£437	£1,004	£2,417	£6,628	£27,590
Yr 3	£257	£437	£1,004	£2,417	£6,628	£27,590
Yr 4	£217	£352	£812	£1,954	£5,381	£22,926
Yr 5	£174	£267	£618	£1,492	£4,122	£17,987
Yr 6	£127	£181	£422	£1,029	£2,850	£12,499
Yr 7	£79	£93	£216	£532	£1,477	£6,512
Total paid over term	£1,368	£2,204	£5,080	£12,258	£33,714	£142,694
Cost as a % of the gift	0.05%	0.09%	0.20%	0.49%	1.35%	5.71%
Premiums are guaranteed for the full term of the policy						

N.B. If the gift qualifies for business relief or agricultural relief then the profile of the liability will change and we will provide appropriate costings. These policies have no surrender value.

