A very warm welcome to our new look Reflections magazine, bringing you the latest insights into a variety of tax developments and planning opportunities affecting US-connected individuals living in the UK.

The end of 2019 marked 18 months since Westleton Drake began operating as Blick Rothenberg and allowed us to pause and ponder what, if anything, has changed.

The partnership has delivered everything we hoped it would, and more. Whilst the team and quality of service remains unchanged, many of you will have already experienced the benefit of the breadth of expertise we offer now that we are part of a much larger and more diverse firm.

Whether stamp duty savings on buying a home or complex corporate advice for your growing business, our ability to overlay additional advisory services with the general complexities of US tax, has proven a compelling proposition. We explain this further in this edition.

The last decade was ground-breaking from a tax point of view, and the climate in which we operate looks very different today than in 2010. FATCA and other global information exchanges mean that governments have access to ‘foreign’ information about taxpayers that didn’t seem possible a decade ago. Ensuring full compliance, especially for overseas Americans, has become essential. In the UK, the concept of deemed domicile has changed the landscape for US families who have made the UK their long-term home forever.

We are yet to see what lies ahead, but we will remain on hand to assist our clients in managing the challenges and opportunities presented, as well as the inevitable shift towards increased digitalisation.

May we take this opportunity to wish you, and your families our very best wishes for what the new decade may bring.

Written by Daniel Hyde
In this article we explore the potential planning opportunities available to UK taxpayers as we approach the end of the tax year.

By Oliver Burton, Senior Manager

This article highlights some opportunities that are available to most UK taxpayers in advance of the 5 April 2020 tax year end. Some of the suggestions below represent ‘use it or lose it’ allowances and so the various reliefs and exemptions should be considered where appropriate.

As always, it will be important to consider any cross-border implications of any UK tax planning, particularly if you are an American.

Avoiding that 60% Income Tax rate

The £12,500 personal allowance is tapered down by £1 for every £2 of income in excess of £100,000, giving an effective rate of 60% tax for those with income between £100,000 and £125,000.

If your income is approaching this threshold as we move towards April, it may be prudent to take steps to reduce your taxable income. These steps may include charitable donations, tax relieviable pension contributions, and controlling the point at which you receive certain types of income.

Charitable donations

Donations made to UK charities via the Gift Aid scheme will increase a taxpayer’s basic rate band. For example, an £8 donation will add £10 to the basic rate band, resulting in a 25% tax saving for those who pay tax at the additional rate of 45%. In addition, the charity itself is able to claim a further £2 as a result of that £8 donation.
Pension contributions
Contributions to pension schemes can offer tax savings, but it is important to ensure that you do not exceed the annual allowance. The annual allowance currently sits at £40,000 (gross); however, this reduces gradually if your total income for the year is over £150,000. For taxpayers with income over £210,000, the total income for the year is over £150,000. (gross); however, this reduces gradually if your annual allowance currently sits at £40,000 (gross) and any excess contributions are subject to an Income Tax charge. With that in mind, and before rushing into an additional contribution before year end, please do check how much annual allowance you have available for use.

Importantly, if you do not use all of your allowance in a particular year, it can be carried forward for up to three years. You need to have been a member of a registered pension scheme in order to utilise an unused allowance.

Lifetime allowance for pension savings
Funds that are held in pension schemes may enjoy tax-free growth, but there is a lifetime allowance to consider as part of your planning. The allowance applies to the aggregate amount across all of your pension pots. If that total exceeds the lifetime allowance, there are tax charges when you start to take pension benefits. The allowance for 2019/20 is £1.055m.

Individual Savings Accounts
Income and gains on Individual Savings Accounts (ISAs) are free from income and capital gains tax. ISAs are now available in a variety of forms including the cash ISA, stocks and shares ISA and junior ISA (for those under 18).

The Lifetime ISA is also available and those between 18 and 40 years can save up to £4,000 during 2019/20 and be entitled to the 25% government bonus. Any Lifetime ISA allowance savings count as part of the overall £20,000 ISA limit.

ISAs are subject to allowances that cannot be carried forward and are lost if they are not used. It is therefore important to maximise these tax efficient savings opportunities annually.

A family of four (two adults and two minor children) investing the maximum into ISAs could save up to £48,736 by 5 April 2020. Help-to-buy ISAs that were opened prior to 30 November 2019 will continue to operate, but it is no longer possible to open an account of this type.

Marital separation
If, during 2019/20, you and your spouse have permanently separated, then asset transfer prior to 5 April 2020 needs to be considered. This can be done without CGT consequences in the year of separation.

Gains on transfers in the next tax year and beyond will generally be liable to CGT at 20%.

Appropriate tax and legal advice should be taken prior to the transfer of any assets.
Stamp Duty Land Tax
A prominent Conservative party pledge during the 2019 election campaign was to introduce an additional 3% Stamp Duty Land Tax charge on non-UK resident individuals (and companies) who acquire UK residential property.
This is yet to be enacted, but it is certainly something to be aware of for any non-UK based individuals or companies looking to purchase UK property in the near future.

Inheritance Tax
Non-UK domiciled individuals are subject to UK Inheritance Tax (IHT) on their UK situs assets. UK domiciled individuals, or long term residents of the UK who are deemed domiciled, are subject to UK IHT on their worldwide estates.
An individual has a £325,000 ‘nil rate band’ for UK IHT purposes and any unused amount can be transferred to a surviving spouse.
We recommend that wills are reviewed on a regular basis and after any significant events.
Gifts made to individuals are free of IHT if the donor survives for seven years. With that in mind, succession planning can be very effective in removing assets from the IHT net.
Trusts

It is worth considering whether it might be beneficial to set up an ‘Excluded Property Trust’ (EPT) for those becoming deemed domiciled on 5 April 2020.

If you have been resident in the UK for 15 of the last 20 tax years, then you are automatically considered to be deemed domiciled in your sixteenth year of residency. As a deemed domiciled individual, you are liable to IHT on your worldwide assets - although protection can be afforded to offshore assets if they are settled into a trust prior to obtaining deemed domicile status.

EPTs can, in certain circumstances, also be used to effectively shield foreign income and gains on trust assets until such a time as beneficiaries receive distributions or benefits. This can give a tax free roll up on income and gains which would otherwise be taxed on an individual, on an annual arising basis, once deemed domiciled.

The US and UK treatment of trust distributions can vary significantly and so joined-up advice should always be sought before initiating any trust-based planning.

We are on hand to discuss any of the above opportunities in more depth if you believe they could be of benefit to you or your family.

This article sets out the tax considerations of various UK planning opportunities. We are not regulated to give financial or investment advice. Any investment decisions should be discussed with an Independent Financial Advisor prior to taking action.
You have no doubt heard a lot about cryptocurrency in the media recently. Although it has been around for over ten years, it’s only recently that tax authorities around the world have taken notice of it. So, what is it and why should you care?

By John Havard, Director

Decrypting cryptocurrency

Cryptocurrency first came to the fore with the likes of Bitcoin and is an unregulated digital (or virtual) means of exchange. It is only available in electronic form and unlike a traditional, regulated currency, there is no Central Bank involvement in any country.

Cryptocurrencies can be held as an investment in the expectation that, over time, they will appreciate in value, and can also be used to finance business transactions (provided both parties are willing to settle the transaction by an exchange of cryptocurrency).

Whereas traditional banks are involved in matters relating to real currencies, cryptocurrency is stored and transacted only through designated software, mobile, or computer applications, or through dedicated digital wallets.

Transactions occur over the internet using secure, dedicated networks and use strong cryptography for security - hence the name, cryptocurrency.

This may sound like jargon being used to describe other jargon, but it’s actually quite straightforward. Cryptology is a ‘secret language’ used to encrypt the matter in hand, which is then only accessible to another person who has the means to access that particular secret language.
It’s basically the development of techniques used by the German High Command in the Second World War to communicate in secret via the Enigma or Lorenz machines. The new development is the application to financial transactions and other financial matters.

How do the tax authorities regard cryptocurrency?

Globally, tax authorities do not regard cryptocurrencies as being equivalent to real currencies. Taxable income and gains are expressed in the local currency of the taxing jurisdiction, for example, the $US for US tax purposes, and the £ sterling for UK tax matters. So, a movement in the value of say, the Bitcoin, in relation to the $US, will have tax repercussions for a US taxpayer who either transacts business in Bitcoin, or invests in Bitcoin in the hope that the value of the investment will increase.

Tax authorities around the world have become increasingly concerned that they are suffering ‘revenue leakage’ because of either misreporting or non-reporting of cryptocurrency transactions.

The Criminal Investigation Division of the US Internal Revenue Service (IRS) has, for several years, been focused on the ways in which cryptocurrencies have been used to commit or otherwise facilitate non-tax crimes, such as money laundering, drug trafficking and identity theft.

However, more recently they have focused on the threat that cryptocurrency poses to tax administration, and the resulting revenue leakage.

As a result of their past efforts against non-tax crimes, the IRS agents involved have become expert in tracking and tracing cryptocurrencies. Additionally, they have a contract with a third-party specialist in artificial intelligence and are using their software to trace cryptocurrency transactions.

Closing the tax net

The overall degree of expertise within the IRS has led to developments such as the successful summons of Coinbase, a cryptocurrency exchange. This move enabled them to discover the identities and addresses of US-based customers who bought or sold at least $20,000 in cryptocurrency between 2013 and 2015.

More recently still, the IRS has been sharing its expertise with tax authorities in other countries. This ‘education’ initiative has included showing the other tax authorities what to look out for, in addition to explaining the potential threats of ‘revenue leakage’. In June 2019, the IRS Criminal Investigation Division hosted an event at the World Bank headquarters in Washington, on the tax aspects of cybercrime, attracting participants from approximately 20 foreign countries.

This is leading other countries to learn from the IRS and follow their lead on cryptocurrency matters.

In 2019 the UK HM Revenue & Customs (HMRC) started seeking user data from several cryptocurrency exchanges. The data they wanted concerned the UK tax years 2017/18 and 2018/19 (the period from 6 April 2017 to 5 April 2019). It is noticeable that this falls within the same period as the well-documented boom in Bitcoin value at the end of 2017, when many Bitcoin users would have seen enormous profits and should have paid UK tax accordingly.

Canadian tax authorities have developed an extensive questionnaire for auditors to use when interviewing individuals with digital assets.

In 2019, the Australian tax authorities announced the collection of bulk records from Australian cryptocurrency service providers, with the objective of using the information as part of a data-matching programme against tax returns submitted.

The latest targeting of taxpayers involved in cryptocurrency transactions by the IRS was launched in July and August 2019, by the IRS Commissioner, Chuck Rettig, and issued 10,000 letters to taxpayers suspected of misreporting virtual currency transactions.

Mr Rettig’s introductory remarks included the statement that, “Taxpayers should take these letters very seriously by reviewing their tax filings and, when appropriate, amend past returns and pay back taxes, interest and penalties.”

Three different letters were issued, depending on what information the IRS possessed. The different tones and approaches taken in each of the three letters was neatly summarised in the introductory remarks to each one.

“Tax authorities are beginning to focus their efforts more stringently on the personal gains achieved from digital
Taxpayers were variously informed that:

For one or more of tax years 2013 through 2017, we haven’t received either a federal Income Tax return or an applicable form or schedule reporting your virtual currency transactions.

We have information that you have or had one or more accounts containing virtual currency but may not have properly reported your transactions involving virtual currency, which include cryptocurrency and non-crypto virtual currencies.

We have information that you have or had one or more accounts containing virtual currency but may not know the requirements for reporting transactions involving virtual currency, which include cryptocurrency and non-crypto virtual currencies.

Conclusion
It is likely that cryptocurrency users in other countries will receive something similar from their own tax authorities in due course and more countries will probably want to obtain user data from exchanges dealing in cryptocurrencies.

Such requests may not become public knowledge if an exchange does not contest the legal basis for such an information request. What certainly is public knowledge, is the fact that there is now a growing trend in the sharing of information gathered between different tax authorities across the world.

The time when trading in cryptocurrencies carried only a minimal risk of detection by the tax authorities has passed and there is no longer any hiding place.

If you have dealt in cryptocurrencies and would like to discuss the tax implications, please do not hesitate to get in touch with your advisor who will be pleased to help.
Revocation or denial of a US passport: the latest weapon in targeting large US tax delinquencies

The US Internal Revenue Service (IRS) has a new enforcement tool which can result in an existing valid US passport being revoked by the State Department, or on application for a new US passport being denied.

By John Havard, Director

This latest weapon in the IRS’ arsenal is targeted at individuals with a “seriously delinquent tax debt”, and should concern any US individual living and/or working outside the USA who both owes the IRS a lot of money, and whose lifestyle demands possession of a valid US passport.

The US Congress has long been concerned that some US citizens with serious tax debt were snubbing their noses at one branch of the government, while simultaneously enjoying all the benefits afforded by having a US passport. This resulted in legislation to deny or revoke passports being enacted as long ago as 2015. Yet it has taken time to create the machinery and processes for two different branches of the government to act in concert on this matter, with appropriate safeguards. The IRS may know the identity of serious tax defaulters, but only the State Department can deny a passport application or revoke a previously issued US passport. But what constitutes a seriously delinquent debt and what should you expect if you find yourself in this position?

What is “seriously delinquent tax debt”?

There are two aspects to “seriously delinquent tax debt”:

1. **What tax debts count?**
   The only tax debts taken into account are those amounts for which the individual taxpayer has exhausted all statutory and regulatory avenues of appeal against what the IRS wants to collect.

2. **How much tax debt triggers the process?**
   The legislation provides that the ‘trigger’ amount is indexed yearly for inflation. At the time of writing, the inflation adjusted threshold is $53,000.
Thus the ‘bright line’ test for what amounts to seriously delinquent tax debt is met when assessed and legally enforceable Federal tax liabilities in excess of $53,000 remain unpaid. It is important to note that penalties and interest owed to the IRS are taken into account when determining whether a person’s tax debt exceeds $53,000.

Even a fairly ‘simple’ set of personal circumstances can result in tax debt breaking through that $53,000 ceiling.

For example, if you are a US person who has allowed your Federal Income Tax affairs to ‘drift’ by ignoring notices from the IRS, you could be at risk, for example:

• An ‘overseas American’ can be impacted by a number of information reporting requirements which form part of the annual US federal income tax return. The typical penalty for failure to make a timely filing of an information return can be $10,000 for each year involved.
• Overdue amounts attract a compound interest charge, computed using daily compounding.

This isn’t unusual given the annual US federal income tax return process can be complex, but missing key deadlines and failing to comply with the various reporting requirements results in costly penalties which soon add up.

IRS limitations

On a brighter note, the law prevents the IRS from counting towards the $53,000, any amounts against which the individual taxpayer has not exhausted all of their administrative rights of appeal. That restricts the tax debt which can be taken into consideration to amounts where the IRS has made a levy against property owned by the taxpayer.

What to expect

If you find yourself in this situation, it is useful to understand the procedures that the IRS must follow when looking into your case.

Detailed regulations have been issued specifying the procedures to be followed when the IRS is looking at a taxpayer with relevant tax debt in excess of $53,000 and the law requires that the IRS notifies the State Department of all such individuals.

A detailed description of those rules is beyond the scope of this article, so we have distilled them down into a six-step guide on what to expect:

1. When the IRS makes a notification to the State Department, you will be sent a ‘Notice CP508C’. This explains what you need to do to resolve the debt.

2. The State Department will take no action for 90 days. This allows time for any erroneous IRS certifications to be corrected, payment of the tax debt, or the agreement of a payment plan between you and the IRS.

3. There will be a formal reversal of the process and you will be issued with a ‘Notice CP508R’ if any of the following happens:
   • discovery of an error in the original certification
   • the tax debt being settled
   • the tax debt ceasing to be legally enforceable
   • the IRS entering into an instalment agreement with you to pay off the debt
   • the IRS accepting an offer-in-compromise to settle the debt

“Missing key deadlines and failing to comply with various reporting requirements results in costly penalties which soon add up.”
4. If there is no reversal of the original notification, the State Department will consider whether to revoke your existing passport or deny you a new one.

5. In addition to its statutory duty to make notifications to the State Department, the IRS is also able to request that a particular passport be revoked. The IRS has indicated that it is likely to make such a recommendation in the following circumstances:

   - An earlier certification was formally reversed because you promised to pay, but payment was not subsequently received.
   - The IRS is aware that you have sufficient assets located outside the USA to resolve the debt but choose not to use such offshore assets to pay the IRS.

6. If the IRS recommends to the State Department that your passport be revoked, you will receive a ‘Letter 6452’ or ‘Notice of Intent to Request US Department of State Revoke Your Passport.’ This gives you a further 30 days in which to resolve any tax debts.

   The IRS has indicated that, as a general rule, they would not recommend revocation if you are making a good-faith attempt to resolve your tax debts.

Turning a blind eye to what arrives in the mail from the IRS could lead to an unpleasant surprise.

What if you are about to travel?

If you have imminent travel plans and have been notified by the State Department that your passport has been revoked or your passport renewal has been denied, what should you do?

The official advice is to call the IRS promptly. Normally, it would take them around 30 days to formally reverse a certification that the IRS had previously made to the State Department. However, there is an expedited reversal process which can reduce that processing time to between 9 and 16 days.

To take advantage of this expedited treatment, you must provide the following documentation to the IRS:

1. **Proof of travel**
   This can be a flight itinerary, hotel reservation, cruise ticket, international car insurance or other document showing location and approximate date of travel or time-sensitive need for a passport.

2. **Proof from the State Department**
   A copy of the letter from the State Department denying your passport application or revoking your existing passport.

   The moral of this cautionary tale is that turning a blind eye to what arrives in the mail from the IRS could lead to an unpleasant surprise, followed by an inability to travel internationally and potentially great personal inconvenience.

   For help with an existing request from the IRS or to discuss any of the issues in this article, please do get in touch.
US tax: some recent changes to the rules concerning pension plans

In this article, we look at the new pensions-related provisions outlined in the ‘SECURE Act’.

By John Havard, Director

The US Congress had been considering pensions related-tax changes for a couple of years, with quite a bit of bi-partisan agreement. Consequently, some of what had been under consideration was attached to a spending bill which President Trump signed into law on 20 December 2019. The new pension-related provisions are to be found in what is generally known as the Setting Every Community up for Retirement Enhancement Act of 2019 (SECURE Act).

Leaving your money in the retirement plan for longer

Employer-provided qualified retirement plans, traditional individual retirement accounts (IRAs), and individual retirement annuities are subject to required minimum distribution rules. Previously, the required minimum distributions had to begin by 1 April of the calendar year following the calendar year in which the individual beneficiary of the pension plan reached age 70½. That age ceiling has been changed to age 72.

This change is only effective for distributions required to be made after 31 December 2019, for employees and IRA owners who attain age 70½ after 31 December 2019. The old rule still applies and mandates minimum distribution to commence at 1 April 2020 for individuals who attained age 70½ during 2019.
Estate planning technique involving IRAs is closed

On the death of the account holder, an IRA passes direct to its designated beneficiary.

The estate planning device that emerged under prior law was to name a child or grandchild as the beneficiary, and additionally specify that the IRA funds be paid out over that beneficiary’s life expectancy. The jargon for this technique is a ‘stretch IRA’.

The new rule is that the IRA funds must now be paid out in full within ten years of the owner’s death. However, there is no requirement for equal or regular distributions, so it’s possible to have all the money distributed in year ten and still satisfy this rule.

If the person inheriting an IRA wishes to convert it into a Roth IRA, that is possible. However, there would be the usual tax charge on conversion and the resultant Roth IRA is still required to distribute everything to the beneficiary within the same ten year period.

529 Plans - a change unconnected to retirement

A qualified tuition program (often referred to as a ’529 plan’) is a tax efficient way to finance a child’s education. Congress believed that the categories of educational expenditure which can be funded from one of these plans should be expanded to “meet each family’s unique needs.” Consequently, four additions have been made to what are allowable items of expenditure.

1. Fees, books, supplies, and equipment required for the participation of a designated beneficiary in an apprenticeship program.
2. Certain expenses in connection with schooling at home.
3. Certain amounts used to make payments on principal or interest of a qualified education loan.
4. Certain additional qualifying expenses on behalf of designated beneficiaries attending elementary or secondary school.

The new rules apply to distributions made from a 529 after 31 December 2018. Consequently, some distributions which would have been non-qualifying at the time that they were made in 2019 are retroactively validated as meeting qualifying expenditure.
Life insurance: a complement to your wealth management strategy

Our guest article from BEJS explores an often overlooked tax planning solution which could help to simplify your finances.

By Martin Wilson, Head of International, BEJS (Barry, Evans, Josephs & Snipes)

Life today has never been more complicated, leading many of us to seek the simpler life. But this isn’t always easy to achieve when you straddle two tax regimes. In the world of dual UK and US taxpayers, nothing is seemingly simple, straightforward, or easy.

Wouldn’t it be nice if there were a tax planning solution that could simplify your tax affairs, providing tax-optimised returns, removing assets from your UK and US estates permanently?

In our experience, life insurance represents a valuable tax advantaged planning tool, but it is often overlooked when it can actually prove to be the perfect complement to an existing wealth management strategy.

What are the benefits?

If you are a US citizen and have lived in the UK for a prolonged period, you may find yourself faced with a plethora of dual taxation and reporting issues, from mismatched tax credits, remittance issues, costly and lengthy tax returns and PFIC reporting, to exposure to US estate tax and UK Inheritance Tax (IHT). The list goes on.

To counter these all too familiar challenges, a correctly structured Permanent Life Insurance solution can be used to deliver numerous benefits:

• Tax optimisation of policy growth
• Removal of reporting requirements
• Diversification of overall wealth management strategy
• US Estate Tax and UK IHT free transfer of wealth
• Life Insurance protection
• Tax efficient use of unremittable funds to pay the policy premiums
• Long standing and established rules in both jurisdictions

A life insurance policy as a planning strategy has the potential to vastly simplify your affairs on a portion of your wealth. Not only this, but it can provide for the tax efficient growth and transfer of wealth over the longer term. We usually see this planning undertaken for an appropriate portion of a client’s wealth or funded with excess income from an existing investment strategy. However, you can also fund your policy with cash held outside the UK, which may be currently under utilised, but which would otherwise create remittance and reporting issues if brought into the UK.

When you take out a life insurance policy, it can be held within a Trust to remove it from both US estate tax and UK IHT. However, if you require access to the funds, you may want to hold the policy in your own names and undertake estate planning in the future to maintain flexibility.

Of course, in the complex world of dual US and UK planning, there is never a one-size-fits-all solution and life insurance should always be considered alongside existing wealth management and tax planning strategies that you have in place.

Selecting the right policy

When it comes to the products and providers available in the market, there are a plethora of options available, depending on your specific needs.

The industry has grown exponentially in recent years to accommodate a variety of requirements with contracts offering both flexibility and earnings potential.

Just as you employ a specialist UK/US tax advisor, it is important to take the time to explore the life insurance planning options available to you with an equally qualified specialist.

So, whilst seeking a simpler life when you straddle two tax regimes is not always easy, don’t rule out life insurance as a potential tax planning solution.

“Life insurance represents a valuable tax-advantaged planning tool, but it is often overlooked.”

This information is provided for educational purposes only and should not be construed as advice. You should discuss your circumstances with a qualified professional before making any decisions.
Can you spot the difference?

It has been 18 months since Westleton Drake joined forces with Blick Rothenberg. We’re looking back to see what, if anything, has changed for you and us.

By Daniel Hyde, Partner

Working with private clients, we get to know each other very well and enjoy building our relationships with you over many years. So, when we announced we were joining Blick Rothenberg, it was only natural for you to ask, “what does this mean for me?” We’d kept this at the forefront of our minds when we considered joining Blick Rothenberg, so we anticipated that when we said ‘nothing’ would change, we’d be right.

It was clear early on that our cultures and values aligned and that we shared the same work ethos, so we felt comfortable that you’d continue to receive the same great experience. The synergies between the two firms were also clear so we knew we could continue to provide the same level of service and approach. By working hard to transition our team seamlessly, we have managed to retain all our excellent talent, which was great because it meant that you could continue working with the same team.

So, same team, same service? Well, not quite. What we hadn’t anticipated, was just how much more we could offer you by being part of this wider firm. Our ‘one firm’ ethos means that we draw on each other’s diverse expertise, across 60 partners. It enables us to get a ‘steer’ on an issue long before you might be ready to engage an advisor, adding much needed help to support complex early decision making.
Same team, same service?
Well, not quite.

For example, our specialist stamp duty partner has delivered material savings on the purchase of a family home, our VAT and customs team has helped clients’ businesses to understand how to prepare for Brexit, our corporate team has provided audit services to client businesses and our specialist disputes team has offered expert insight into several difficult enquiries.

So, when we told you ‘nothing’ was going to change for you when we transitioned to Blick Rothenberg 18 months ago, it wasn’t entirely true!

We now offer multi-disciplinary advice across every kind of tax imaginable – something which we would not have been able to do previously.

As we continue to grow, we continue to keep the benefits this will bring to you at the core of our reasoning. For example, we are excited to bring you news of our latest acquisition which will benefit those clients with businesses operating in the financial services industry. Rees Pollock are one of the market leading advisors to the financial services sector, allowing us to provide you with even more specialist advice, from regulatory audit to complex executive compensation.

The past 18 months have been an exciting journey of integration and growth, and as we look ahead to 2020 we do so with the expectation that we will continue to challenge ourselves to be better and deliver more for you.
Dual-qualified, but not how you might think...

By Rachel Armitage, Tax Manager

Learning about my clients as individuals and working with them to understand their lifestyle and how it impacts their taxes is a key part of my role as a Private Client Tax Manager. Over the last few years I have been working on a second qualification, and although it may not seem like an obvious career choice, the similarities between these roles might surprise you.

Dual-qualified, for most of my colleagues in the US/UK Private Client team, means having completed (or are studying for) qualifications to allow them to practice in both US and UK tax.

For me, it means something quite different.

From Tuesday to Friday I am a qualified private client tax advisor, but on Mondays and Saturdays it is my qualification as a Pilates teacher that benefits my clients.

For those who have yet to discover it, Pilates is a method of teaching movement based on six founding principles: breathing, concentration, centring, control, precision and flow. It was originally developed by Joseph Pilates in New York in the 1930s.

In addition to the exercises themselves, Joseph and his wife Clara invented several pieces of equipment to allow the exercises to be personalised to an individual client. In keeping with that level of personalisation, at the Pilates and Yoga Movement studio no more than five individuals are allowed in the studio at any given time, with each receiving their own class using different pieces of equipment depending on their specific needs.

Sound familiar?

I will be the first to admit that these are not the most obvious roles to combine, but over the last three years I have been more and more surprised by their similarities than their differences.

As private client tax advisors, we tend to focus on the latter part of our job title, but the first two words are just as important. Our advice only works when it is tailored to you, factoring in your individual objectives and limitations. The more I learn about my clients, the better my advice is.

And the same is just as true in the Pilates studio. The more I work with a Pilates client, learning about their personal aims and observing their unique movement patterns and anatomy, the more focused each class becomes on meeting their specific needs.

When someone is referred to Pilates by their physiotherapist or osteopath, they often come with a specific medical condition. They may be working on a long-term condition like osteo-arthritis, so they arrive expecting to work only that area. But the Pilates approach is to look at the whole picture.
An affected joint can impact movement throughout the body, so I will give exercises for the whole body.

My initial meetings with private clients are about getting to know them and understanding what they want to achieve – both financially, professionally and personally in life. This allows me to think about their needs in a rounded, comprehensive way, rather than dealing with one particular tax issue. And just because a client does not pose a particular question, does not mean that I do not need to know and understand the answer. Sometimes the questions that remain unasked can be the most important.

Core to finding out as much information as I can about my clients is the ability to build deep relationships based on trust. Only then do I feel like I can give them the best possible solutions – whether in the office or the Pilates studio.

So, whilst my dual-qualification is not what you might expect, private client tax and Pilates are not a million miles away from each other.

So far, none of my clients have benefited from both my tax and Pilates expertise, but there is always time!
Giving something back: how by helping others we enrich ourselves

By Andy White, HR Manager

We make a living by what we get, but we make a life by what we give.

Winston Spencer Churchill

Some people call it charitable giving, some call it benevolence. If you are really trying to impress how about eleemosynary munificence? Whichever term you prefer, Churchill's insight reflects a basic human characteristic: in helping others we enrich ourselves.

Our choice of charity this year, which was voted for by our people, is the Richard House Children's Hospice. They are a charity dedicated to helping young children with life-limiting conditions and their families.

From the moment a child is diagnosed with a life-limiting or life-threatening condition, everything changes. And these changes affect the whole family, which is why it is vital to provide care not only to the child, but support to the whole family as well. To do this, Richard House's services range from specialised clinical care, to art, music, and dance therapy; giving the child the opportunity to explore what is happening to them in a safe environment. They also provide end-of-life care and pre- and post-bereavement support for all the family. They were the popular choice for us because of the service they provide and the fact that they serve the local area.

If charity really does begin at home – then they really serve London.

We have been pleased to assist, not only because of the worthiness of their cause, but because of the additional benefits we enjoy as a company. It has unified our people towards a common cause, bonded us though individual activities, and offered the opportunity to network with colleagues we wouldn't normally meet.

We have hosted some ‘big ticket’ fundraising events including a football tournament at the Leyton Orient football ground and a bike ride from London to Brighton, both of which were hugely popular. Other activities have been more modest, such as a cake sale or a raffle. But however big or small the contribution, it has all gone towards a common cause.

As a company, we have found the above observation of Winston Churchill to be remarkably appropriate for us. We have also assisted a local charity to provide a benefit that is impossible to put a value on. Sounds like a win-win to me.
Helping this charity has been incredibly rewarding, not only because of the worthiness of their cause, but because of the additional impact it has had on our people too.

“If Charity truly does begin at home - then Richard House Children’s Hospice really serve London.”
We are making a life by what we give, helping a local charity to provide a benefit that is truly impossible to put a value on.