

## CAPITAL ACQUISITIONS TAX (CAT)

Lots of people worry about planning for the future and what the tax implications are. Our tax advisors can help you provide for your loved ones in the most tax efficient manner. We'll take the stress out of planning for the future allowing you to enjoy the present.

GROUP		Lifetime threshold
A	A son or daughter of the person giving the gift or inheritance	€310,000
B	A parent, brother, sister, niece nephew, grandparent, grandchild lineal ancestor or lineal descendant of the person giving the gift	€32,500
C	People with a relationship to the person giving the gift not already in Groups A or B	€16,250

### CAT thresholds (post Nov 2011 to date)

Group thresholds are applied in particular circumstances which allow a gift or inheritance to be tax free. Depending on your relationship to the person who gave you the gift or inheritance, you may fall into one of three groups outlined below. The standard rate for CAT on gifts and inheritances received on or after 6 December 2012 is 33%. By taking advantage of the group thresholds you could save a sizeable amount.

From the table above a person in Group A, e.g. Mary, daughter of Ann and Tom, would be exempt from CAT on gifts and inheritances from her parents up to the value of €310,00 in her lifetime. Any gifts or inheritances above that value from her parents would be subject to CAT at 33%.

### SMALL GIFT EXEMPTION

If Ann and Tom wish to provide more for their daughter in a tax efficient manner they could take advantage of the Annual Small Gift

Exemption. Under this exemption they could both gift their daughter Mary €3,000 a piece, without Mary having to pay CAT. If their daughter Mary was married or engaged to be married, they could gift a further €3,000 a piece to Mary's husband or fiancé, allowing Ann and Tom to provide a total of €6,000 per annum tax free for their daughter Mary while they are alive.

### CONTACT US TODAY

Find out how we can help you to provide for your family in the best way possible.

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