NEXUS

PROTECTING YOUR WEALTH AND YOUR FUTURE

ISSUE 3

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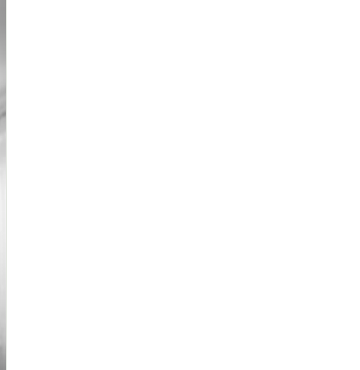
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WELCOME

On 30 October 2024 the first female Chancellor of the Exchequer gave what was described as a once in a generation Budget. This set forth a changed tax landscape.

In this, the third edition of Nexus, our experts unpick the detail and look at what these changes mean for you.

You'll find a Budget overview that will give you the headlines you need. As expected, the Budget abolished non-domicile status, so we consider the implications of this. We also look at the changes to capital taxes and explore how the way carried interest is set to be taxed will affect fund managers.

Elsewhere, there is an article on the new Labour government's proposed planning reforms. Their aim is to drive economic recovery, so we assess the opportunities it opens up for developers, landowners, promotors and investors.

Reforms are planned in several areas to make greater use of digital technology to improve efficiency. We look at two areas currently subject to reform – Lasting Powers of Attorney and the immigration system – and consider the benefits and the pitfalls of digitalisation in each case.

The other articles in this edition focus on the rights and protections that exist for individuals who may find themselves in distressing, but sadly common, situations.

We consider the queston of inheritance in cases of unlawful killing, including assisted dying, and look at what the law says about those who help terminally ill individuals to die.

We give insight into the legal protections that exist to safeguard assets and financial resources in the event of a predatory marriage, which is defined as when one party coerces another into marriage with the intention of financial gain.

Finally, we debunk the myth of common law marriage and look at how the law is applied if you choose not to marry or enter into a civil partnership.

Of course, in all these articles, you can expect expert insight and practical tips on protecting you and your loved ones no matter what your situation.

I hope you enjoy this edition and find it a useful read.

Bernadette O'Reilly
Partner, Private Client

This is intended as market insight and does not constitute legal advice.

ARE COHABITING COUPLES PROTECTED IN THE EVENT OF SEPARATION OR DEATH?

There is a widely held perception of the concept of 'common law marriage'. It is generally believed that this concept will give cohabiting couples certain rights or protections in the event of separation or death. Unfortunately, the reality is that there is no such thing.

What rights and protections do cohabiting couples have if they separate?

There are currently no automatic rights or protections afforded to cohabiting partners in the event of separation.

In situations where there are no dependent children, even where one partner has been financially reliant on the other during the relationship, no claims can be made on their behalf against their ex-partner's assets or income to enable them to meet their own reasonable needs in the future. The only exception to this is if they can establish that an agreement had been reached that they should have an interest in the other's property.

Even in situations where an unmarried couple has children, there are no rights that a partner (in their own right) has over the other's property or assets. Provision over and above child maintenance can be made in certain situations for the benefit of the children until they reach adulthood, but this is not the 'norm'. It is only usually seen in circumstances where the 'paying' party is earning a significant income or has substantial assets which can be utilised to meet the reasonable housing and income needs of the children in the event that the 'receiving' parent is financially unable to do so.

The recent court case between England footballer Kyle Walker and Lauren Goodman (the mother of two of his children), has been widely reported. Whatever your view on those involved, it demonstrates the extensive disparity when considering the rights of spouses compared to those who are not married but have children together.

Ms Goodman was able to make a claim against Mr Walker on their children's behalf for financial provision. However this was limited to what the judge viewed as 'reasonable' to meet the

children's needs whilst they were growing up.

This is drastically different to the financial settlement which Mr Walker's wife is likely to be entitled to in their upcoming divorce. It is anticipated that she will 'share' the majority of footballer's estimated £27 million fortune.

What rights and protections do cohabiting couples have on the death of one of the partners?

It is widely believed that cohabitees will inherit their deceased partner's share of the property automatically if they were to die without leaving a will, especially if they have been together for some time. However, this is not always true and will depend on the way their property is owned.

If someone in England and Wales dies without leaving a will, they are said to have died 'intestate'. In these circumstances, their estate will pass in accordance with a strict order of priority, known as the 'intestacy rules'. It is these rules that govern who will inherit an estate in the event that someone dies intestate.

THERE ARE NO AUTOMATIC RIGHTS OR PROTECTIONS AFFORDED TO COHABITING PARTNERS IN THE EVENT OF SEPARATION

Cohabitees do not feature in the intestacy rules' order of inheritance. Therefore, in situations where a cohabitee dies without leaving a will, their cohabitee may not automatically inherit their deceased's partner's share of the property. Not only this but, if a will is not in place, they may also be left in a situation where they receive nothing from their late partner's estate at all. In such cases they are left with no option but to bring a claim against the estate for reasonable financial provision (explained further below).

This can, of course, be a shock to people who have always thought that they would inherit everything automatically, at an already difficult time. It can also lead to practical difficulties. For example, depending on how the property is owned, the surviving cohabitee's share of the property may end up passing to a child or parent of the deceased, who will then own the property jointly with the surviving co-owner. As this is likely to be the cohabitees' home, this can be distressing and cause further difficulties.

A cohabitee may, in certain circumstances, be able to make a claim against their deceased partner's estate if they are able to prove that reasonable financial provision has not been made for them under the terms of their partner's will or under the intestacy rules. In order to make this claim, the cohabitee must have been living in the same household as the deceased for the two years prior to their death, as if they were a married couple or civil partners. However, it is a claim they need to bring (and prove) against their deceased partner's estate. It does not constitute an automatic entitlement, so it is not a perfect remedy.

It should be noted that, whilst there is the potential for a cohabitee to bring a claim against their deceased partner's estate if they can prove they have not been reasonably provided for, this should not be relied upon. Bringing a claim is often expensive, time consuming and can cause tension within families. Of course, there is also the risk that a claim will be unsuccessful.

Is there any change on the horizon?

With the marriage rate falling year on year, and the steady increase in couples continuing to 'live in sin' for extended periods of time, is reform to the laws on cohabitation likely under the new Labour government any time soon?

In 2023, Emily Thornberry, the then Shadow Attorney-General, announced at a Labour Conference that a Labour government would reform the law on cohabitation. The reform would focus on rights to property and parties' ability to claim financial support. However, whether this will be a reality is yet to be seen, because many people still have objections. They feel that reform could lead to people who choose not to marry or enter into a civil partnership (for whatever reasons) being left open to claims being made against them when the sharing of assets and incomes was never agreed or intended.

34% of couples in the UK are not married

Find out how we can support you through an amicable separation

Source: data released May 2024 from Office for National Statistics

Talk to me about creating a cohabitation agreement

What steps can you take to protect your partner in the event of separation or death?

Clearly, whichever side of the fence you sit on this topic, there are potential difficulties and unfair outcomes which could be (and often are) experienced. So, how can they be avoided?

Planning at the outset is key. Couples who are planning to live together or share financial resources should enter into a cohabitation agreement setting out their intentions and agreements in respect of property ownership and financial support in the event of their separation. This very often saves lengthy and distressing arguments, and unsatisfactory outcomes, which can come about otherwise.

Cohabiting couples (and indeed all couples!) should also make a will. Putting a will in place ensures protection for their surviving cohabitee in the event of death for not only their property, but the remainder of their estate. By putting in place a properly drawn-up will, people can ensure that their hard-earned assets pass to whom they intend.

Laura Williams
Joint Head of Family,
Worcester

Joanne Gilding
Solicitor, Private Client

INHERITANCE RIGHTS AND UNLAWFUL KILLING

The Forfeiture Rule is a long-standing legal principle designed to prevent individuals from benefiting financially when they are responsible for another person's death. At its core, the rule ensures that a person cannot inherit or financially benefit from someone they have unlawfully killed. For heinous crimes like murder, this rule seems entirely appropriate. It would be morally wrong for a person to benefit from the death of a spouse, for example, after orchestrating their murder to claim their estate or life insurance to solve financial problems or escape a marriage. The recent High Court decision of Leeson and another -v- McPherson [2024] EQGC 2277 (Ch), provides a perfect example of exactly this. The court decided the husband had unlawfully procured his wife's death by drowning so could not benefit from her estate.

However, while the principle seems straightforward in cases of premeditated killing, the Forfeiture Rule also casts a much wider net. It applies to all forms of unlawful killing, including causing death by dangerous driving. It also applies to cases of assisted dying, which is currently illegal in the UK (although there is a bill making its way through parliament that may change this). This broad scope can sometimes lead to harsh outcomes that many would consider unfair. This is where the Forfeiture Act 1982 comes into play.

The Forfeiture Act gives courts discretion in some cases of unlawful killing

The Forfeiture Act allows courts to grant relief from the rule in cases of unlawful killing, if the circumstances of a case justifies such a decision. courts have full discretion to decide whether the Forfeiture Rule would be unjust, except in cases of murder where relief cannot be granted. This legal flexibility is important because it recognises that not all unlawful killings carry the same level of moral culpability.

A limited time window at a difficult time

While the Act provides necessary flexibility, there is one important factor that needs to be considered. Individuals involved in an unlawful killing must make

Talk to me about ensuring your legacy endures

an application to court for relief from forfeiture and if convicted must make the application within three months of their conviction. This strict deadline can be difficult, especially for those dealing with immense personal loss and legal challenges. Failing to meet this deadline could result in the automatic application of the Forfeiture Rule. This leaves individuals not only emotionally devastated but also financially insecure.

It might seem that these kinds of tragic situations are rare, but they are not beyond the realms of possibility. For instance, a fatal accident caused by dangerous driving could result in a surviving spouse being convicted and disqualified from receiving any inheritance from their deceased partner. In such a case, the surviving spouse, already facing a devastating loss, could also find themselves in financial difficulty without the possibility of relief, if they fail to apply for relief from the forfeiture rule within the three-month time limit. The court has no discretion to extend this time limit.

The importance of taking action early

Given the potentially enormous financial consequences, it is essential that those involved in such tragic circumstances seek legal advice as soon as possible. The time-sensitive nature of the process means that immediate action is required to avoid missing out on any potential relief.

Having said that, even if the three-month window is missed, there may be other avenues through which financial provision could be made for someone who, though legally responsible for an unlawful killing, was not morally at fault.

In any case involving the Forfeiture Rule, the emotional and financial stakes are extremely high. While the rule serves an important purpose in preventing individuals from profiting from their crimes, it can also lead to deeply unfair outcomes in complex and nuanced cases. Legal advice at an early stage is critical to navigating these difficult situations, particularly in cases where the strict application of the rule would be unduly harsh or unjust.

The role of the Forfeiture Act in practice

The illegal nature of assisted dying in the UK is a fact that many families find it hard to come to terms with. It is common for people who experience degenerative diseases, or even people with no illness at all, to say they would never want to become a prisoner in their own body. People also hope this is a situation their loved one will never find themselves in. There is growing awareness of the option of travelling to countries such as Switzerland where voluntary assisted dying is legal.

How is the Forfeiture Act being applied in such cases?

In one case, a lady had a degenerative disease with no prospects of recovery. The woman went to Switzerland, accompanied by a friend, to end her life. When the friend returned to England she reported her actions to the police, as she should have done.

The Crown Prosecution Service decided not to prosecute.

THE FORFEITURE RULE APPLIES TO ALL FORMS OF UNLAWFUL KILLING, INCLUDING ASSISTED DYING AND CAUSING DEATH BY DANGEROUS DRIVING

However, the friend was named as a beneficiary in the deceased person's will and the executors said she had forfeited her right to benefit from the estate because she had assisted her friend to die.

The forfeiture rule will apply in any case where a beneficiary has commiitted an offence connected with the deceased's death, whether or not that person is prosecuted or convicted.

The friend subsequently brought a claim for the exclusion of the Forfeiture Rule

The claim was not opposed by the beneficiaries or the executors and this assisted the court to order that the Forfeiture Rule be wholly excluded. The friend's costs for bringing the claim were also ordered to be born from the estate.

This case is similar to the well-reported case of Ninian v Findley and Ors [2019] EWHC 297 (Ch). In this case, Mrs Ninian travelled to Switzerland to support her terminally ill husband end his life. She was later successful in seeking relief against forfeiture under Section 2 of the Act.

Bernadette O'Reilly
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Alyson McGowan
Legal Director, Disputed Wills, Trusts & Estates

A NEW DIGITAL AGE?

20% of people aged 65 and older in the UK do not have the skills required to thrive in a digital society

Source: AgeUK digital inclusion report

The Covid-19 pandemic highlighted restrictions in our existing legal system, especially around paper-based processes. Reforms are planned in several areas to make greater use of technology. The intention is to make processes more efficient, and also more sustainable and accessible. However, as we explore in this article, such changes need to be carefully considered. We look at two areas subject to reform at the moment – Lasting Powers of Attorney and the immigration system – and consider the benefits and the pitfalls of digitalisation in each case.

A new digital age for Lasting Powers of Attorney

The current process for making and registering Lasting Powers of Attorney (LPAs) can be slow and inconvenient. The documents, which allow others to make decisions on your behalf, have to be signed in paper form by all parties, who must all sign in a particular order. Even where forms have been prepared online, they must be printed off for signature by the person making the LPA (the Donor) and those chosen to take responsibility (the Attorneys).

The Powers of Attorney Act 2023 that came into effect last year was in response to a Ministry of Justice (MOJ) consultation on the modernisation of LPAs. It suggests changes that will make the process easier to access, faster, more secure, and with less opportunity for individuals to make errors that would otherwise slow down the process.

How will the system for making and registering an LPA change?

It remains unclear one year on what form the changes are going to take. The Office of the Public Guardian is developing the online system, and no news has yet been announced about how the system will work or when it will come into place.

However, what we do know is that the process is being developed to provide an option for LPAs to be created entirely online, using electronic signatures.

THE PROCESS IS BEING DEVELOPED TO PROVIDE AN OPTION FOR LPAS TO BE CREATED ENTIRELY ONLINE

This will sit alongside the existing paper application process for those who do not have access to technology.

There will also be electronic identity checks for the individuals named in the LPAs. This will provide a greater protection against fraud. From a safeguarding perspective, the current option for notifying third parties about the application will be removed, but there will be a wider group of people who will have the opportunity to object against the document's registration. In addition, registration of LPAs will only be able to be made by the Donor, whereas the current process allows registration by Attorneys too.

Are there any concerns about the changes?

There is always a risk when removing safeguards such as 'wet-ink' signatures to make processes easier. The modernisation should encourage more people to create LPAs, but it could also lead to an increase in the abuse and coercion of vulnerable Donors.

The Law Society has commented on the Act's failure to clarify the role of the Certificate Provider in the making of LPAs. This role is an important safeguard against people making LPAs for Donors who lack mental capacity to understand the documents and what they are signing. It is hoped that further support for this role will be made clear by the MOJ.

THERE WILL BE ELECTRONIC IDENTITY CHECKS FOR THE INDIVIDUALS NAMED IN THE LPAS

The introduction of identity checks for individuals on LPAs is a welcome one, as is the expansion of the category of individuals who are able to object to registration. However, further safeguards may need to be included when the new system is unveiled in order to ensure the protection of vulnerable people.

We await further announcements.

Tonina Ashby
Head of Older and Vulnerable Persons

Find out about our service for supporting older and vulnerable people

The Digitalisation of the UK immigration system

A key aim of the Home Office is to have a fully digitalised immigration system by 2025.

Current focus areas for the government are the introduction of eVisas as well as the Electronic Travel Authorisation (ETA) scheme.

The changes follow the introduction of eGates, which allow certain individuals with biometric passports to enter the country using biometric-reading machines, rather than conventional checks carried out by border officials. They can be used by British citizens, EU nationals, (as well as a handful of other nationalities).

eGates have led to the more efficient entry and processing of individuals across the border and into the country. However, they have raised concerns relating to the security of the border.

eVisas and the ETA regime are intended to part address these security concerns. They also play into wider security, economic and political objectives of the government. This includes the ability to (it is claimed) track the movement of individuals across borders, thereby enhancing the ability to monitor the type and nature of immigration taking place in the UK and beyond.

eVisas seek to replace physical documentation and the need to rely on them in the administration of the immigration system and entry/exit at the UK border.

Until now, migrants seeking permission to enter or remain in the UK on a long-term basis (as well as visa nationals who wished to enter for a short-term period, usually considered as a period of six months or less) were required to apply for, hold and present physical documentation as proof of their immigration status. These were in the form of biometric residence cards or permits but also include visa stamps, vignettes in passports and other "legacy

documentation" such as paper immigration status documents (ISDs).

Under the new provisions, everyone who holds a physical document must create an account on the UK Visas and Immigration (UKVI) website and apply for an eVisa. The deadline for all individuals to have created a UKVI account and applied for an eVisa is 31 December 2024.

The ETA regime seeks to regulate and monitor all individuals who enter the UK border. Under the current system all foreign nationals must apply for the relevant visa for long-term stays (more than 6 months) in the UK. However, until now, all non-visa nationals (including all EU nationals, Commonwealth countries and some other nationalities) could enter the UK for short-term stays (6 months or less) without obtaining any prior permission or holding any documentation.

EVISAS SEEK TO REPLACE PHYSICAL DOCUMENTATION AND THE NEED TO RELY ON THEM IN THE ADMINISTRATION OF THE IMMIGRATION SYSTEM AND ENTRY/EXIT AT THE UK BORDER

In future, individuals of all nationalities who are not otherwise required to obtain a visa must have their entry authorised for short stays in the UK. This includes entry to the UK as a tourist, Creative Worker (including actors, dancers, musicians or film crew members), for a Permitted Paid Engagement as well as for individuals transiting through the UK. They must obtain an ETA before they can travel by submitting an online application that seeks to check their basic details and criminal history. It is similar to the Electronic System for Travel Authorization (or ESTA) system in place in the USA. The ETA regime is being rolled out in phases which depend on nationality. It is intended to be fully operational and enforceable from Spring of next year.

Find out about our immigration team

Are there are any concerns about the changes?

The application process for both regimes has been hailed by the government as straightforward. However, in practice this does not seem to always be the case. There have been several concerns raised by individuals and others, including the lobby group the Immigration Legal Practitioners Association.

Concerns include glitches in the system that have prevented the smooth process of transition through the online application process. Furthermore, there are concerns that the sole reliance on technology lends itself to other problems. These include the risk of data leaks and the accessibility of systems to vulnerable individuals and people who do not frequently engage with technology.

As the government speeds ahead towards its goal of digitalisation, there are risks around individuals getting caught in, or left behind by, the regime. There is the potential for disruption to individuals' ability to enter/exit the UK, particularly during the transition period and first few days/weeks/months of the new regimes coming fully into force. For anyone concerned by the changes or who have questions about them, it is recommended that you seek advice from a legal expert.

Adam Cotterill
Senior Associate,
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Immigration

Talk to me about your business and private client immigration needs

2024 UK AUTUMN BUDGET SPECIAL

On 30 October 2024, the chancellor, Rachel Reeves delivered her first Budget. After months of speculation the results are in: the biggest tax-raising Budget in a generation promised to deliver a £40 billion increase in tax revenue.

In certain areas the government's announcements did not go as far as were previously feared, but for some, there will be unwelcome surprises. In this section of Nexus we look in detail at the key measures affecting personal taxation and the possible implications for taxpayers.

CHANGES TO CAPITAL TAXES – THE EXPECTED AND UNEXPECTED ANNOUNCEMENTS

Major changes to capital taxes were widely anticipated, but nevertheless the Budget contained some unexpected measures. In this article, we'll explore the changes and discuss how to navigate the new regime.

Capital Gains Tax

Despite much speculation in the build-up to the Budget, changes to Capital Gains Tax (CGT) proved to be much more modest than feared prior to 30 October.

The CGT rates for disposals of assets other than residential property increased, with immediate effect, from 10% to 18% on gains within the unused income tax basic rate band, and from 20% to 24% for all other gains.

This brings the rates in line with those applicable to disposals of residential property.

The rates of CGT where Business Asset Disposal Relief (BADR) or Investors' Relief (IR) are available will also increase – from 10% to 14% from 6 April 2025, and then to 18% from 6 April 2026. BADR is available when employees and directors sell an unlisted business, and IR where a non-employee investor disposes of shares in an unlisted trading company. The lifetime allowance for BADR will remain at £1 million, but the lifetime allowance for IR will be cut from £10 million to £1 million.

Inheritance Tax – Agricultural and Business Reliefs

The more surprising changes announced relate to Inheritance Tax (IHT) and, in particular the availability of Agricultural Relief (AR) and Business Relief (BR).

Currently, there is no limit on the amount of AR or BR that can be claimed in relation to an estate containing agricultural or business assets. There is also no cap on the amount of AR or BR available on gifts made in the seven years prior to death. In both cases, qualifying conditions for claiming the relief must be met.

From 6 April 2026, under the proposals, AR and BR will be limited to a combined £1 million allowance for 100% relief. Agricultural or business assets above this value will be subject to 50% relief, giving an effective IHT rate of 20%. The new cap, which is not transferrable between spouses, will apply to assets in a person's estate on death, and to any gifts made (whether outright or into trust) in the seven years prior to death.

The legislation imposing this change must pass through Parliament, and given the impact of the proposals, there is likely to be significant lobbying

FROM 6 APRIL 2026, UNDER THE PROPOSALS, AR AND BR WILL BE LIMITED TO A COMBINED £1 MILLION ALLOWANCE FOR 100% RELIEF. AGRICULTURAL OR BUSINESS ASSETS ABOVE THIS VALUE WILL BE SUBJECT TO 50% RELIEF, GIVING AN EFFECTIVE IHT RATE OF 20%

from both the business community and the agricultural sector.

Alternative Investment Market (AIM) shares, which currently benefit from 100% BR after two years of ownership, will not come within the £1 million allowance. From 6 April 2026, such shares will only receive 50% relief. Enterprise Investment Scheme (EIS) shares will continue to receive BR at 100%.

Anti-forestalling provisions were imposed from 30 October 2024. The £1 million cap will apply where a person gifts assets qualifying for relief on or after that date and then dies after 6 April 2026 and within seven years of the gift.

There will be a technical consultation in Spring 2025 to discuss how the changes to AR and BR will apply to trusts. However, under current proposals, trusts created before 30 October 2024 will each have a £1 million allowance. Trusts established on or after that date by the same settlor will have a single allowance split between all the trusts (i.e. if a settlor creates four trusts, each will have a £250,000 allowance). Trusts containing business or agricultural assets may, as a result of the changes to AR and BR, suffer much more significant IHT liabilities on each ten-year anniversary and on any capital distributions.

IHT – other measures

The IHT-free threshold, known as the nil rate band (NRB), has been frozen at £325,000 per individual since April 2009. The Budget extended this freeze until 5 April 2030, bringing even more estates within the IHT net. The residence nil rate band was also frozen at £175,000 per individual until the same date. However, this allowance is already of limited or no use to those with estates worth more than £2 million.

Both allowances are transferable between spouses, but the ordinary NRB is reduced by any gifts made in the seven years before death, unless those gifts are covered by another exemption. The Budget did not include any changes to the seven-year rule, despite fears that this period could be extended, or to other gift allowances/exemptions. These include the annual exemption (£3,000), small gifts allowance (£250 per person), spouse and charity exemptions (unlimited), exemptions for heritage assets, and the exemption for gifts made out of surplus income.

In a further significant change, the Chancellor announced that, from 6 April 2027, any unused pension pots will form part of a person's estate for IHT purposes. This is a departure from the current position, where most pensions pass outside the estate with no IHT payable. There is an ongoing consultation in relation to this, which will end in January 2025.

As well as concerns about larger IHT liabilities on death, those with agricultural and business assets will have practical worries about how funds can be raised to pay this bill without jeopardising the future of the farm or business. IHT can be paid in ten annual instalments on property and land, shares where the deceased controlled more than 50% of the company, and certain unlisted shares.

However, in most situations, interest will accrue on the unpaid balance of IHT and on any unpaid instalments. From 6 April 2025 the interest rate will increase by 1.5% to 4% over the Bank of England base rate, which will be another significant cost to estates.

How to navigate the new CGT and IHT regime

With the seven-year gifting rule unchanged, and holdover relief still available to avoid an immediate CGT liability, passing on business or agricultural assets sooner will be a good strategy for some families, where the circumstances are right. The £1 million allowance applies to individuals, not to farms or businesses, so if the ownership of these assets is spread, more value can be covered by relief.

Married couples should ensure that both spouses hold a sufficient share of the relievable assets and need to have wills which enable £1 million of AR or BR to be utilised on each death.

Talk to me about managing the succession of your assets

The already useful exemption for gifts out of surplus income could become even more valuable, with scope for drawing down pensions and passing on the additional income in lifetime, rather than leaving the pot untouched to suffer IHT at 40% on death.

For those with existing trusts, these should be reviewed prior to 6 April 2026 to see whether it could be beneficial to wind them up in advance of the new legislation taking full effect.

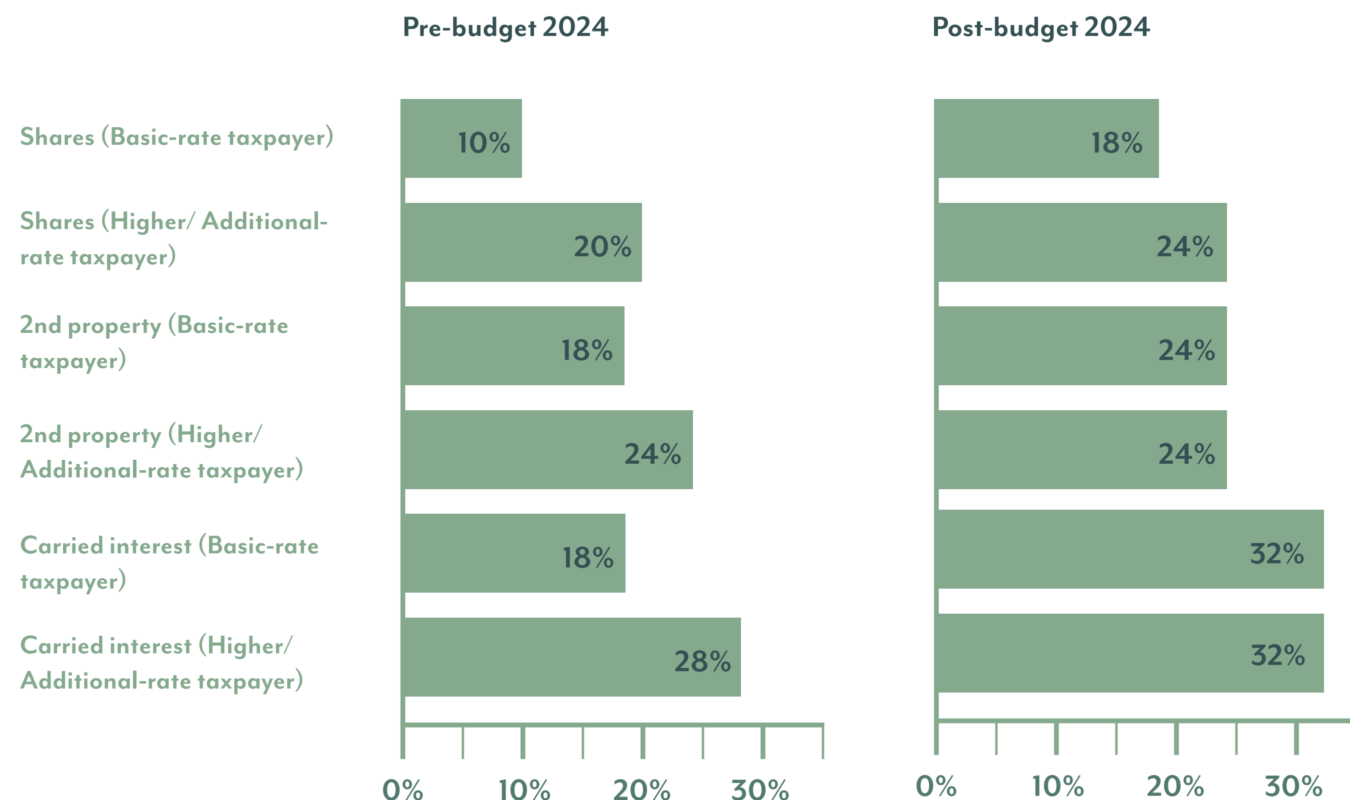
In some cases, notwithstanding any planning work done, a significant IHT liability may now be unavoidable. In that scenario, the focus must shift to how that liability will be met and looking for solutions to ensure that the farm or business can be retained and passed down through the generations if that is the aim.

However, whilst the significance and impact of the changes cannot be underestimated, it is important not to panic or act in haste. There is a helpful window of opportunity between now and 6 April 2026 to reassess your plans. Your professional advisers can help you navigate the new regime and develop a considered approach best suited to your circumstances.

Kerri Woodrow
Head of Private Client,
Central England

Samantha Houlden
Joint Head of Residential
Property

Capital gains tax rates



Source: Gov.uk

The IHT position pre- and post-Budget – an illustrative example

Frank is a widower and inherited his wife's estate when she died. Frank's estate includes an interest in a family farm partnership, valued at £2.5 million. He also has an AIM portfolio worth £500,000 and other assets, including cash savings and stocks and shares ISAs, with a value of £1 million. His £1 million pension pot is written in trust.

If Frank dies before 6 April 2026, the pension pot is outside his estate for IHT purposes. The AIM portfolio and partnership share qualify for relief at 100%. His NRB and his late wife's transferable NRB are available (a total of £650,000), reducing the taxable value of his estate to £350,000. This results in an IHT liability of £140,000 on Frank's death.

If Frank dies on or after 6 April 2026, the pension pot (if unused) will be included in his estate for IHT purposes. £1 million of the farm partnership share will be subject to 100% relief, but the relief on the value in excess of this will be limited to 50%. BR at 50% is also available on the AIM portfolio. Frank's NRB and his late wife's transferable NRB can still be utilised but, with the reduction in reliefs and the inclusion of the pension, the IHT payable on Frank's death increases to £940,000. If, however, Frank's wife had owned part of the partnership share, the IHT liability on Frank's death would have been reduced by at least £200,000.

CARRIED INTEREST - THE DISCUSSION CARRIES ON

THE TECHNICAL CONSULTATION WILL COME TO AN END IN JANUARY 2025, WITH DRAFT LEGISLATION BEING PRODUCED THEREAFTER

As the Chancellor, Rachel Reeves, had already made clear her intention to close the carried interest 'loophole', budget announcements affecting carried interest were hotly anticipated, particularly by those in the private equity and venture capital industry. Over the summer, there was a call for evidence to engage with interested parties ahead of the budget and to help shape Labour's policy. In this article, we examine the changes and what they may mean for fund managers and the sector.

On budget day, the Chancellor announced that from April 2025 the Capital Gains Tax (CGT) rate on carried interest will be increased by only a few percentage points to 32% – not quite the hike everyone feared. However, it was also made clear that this was only to pave the way for further reform, that will take effect by April 2026, allowing for a period of technical consultation in the meantime.

The proposals for reform are fully outlined in the government's 28-page response document to the call for evidence. In short, the intention is for carried interest to be taxed as trading profits and subject to income tax and Class 4 National Insurance contributions.

However, taking into account the unique nature of the reward, 'qualifying' carried interest will be adjusted down by applying a 72.5% multiplier. Qualifying carried interest will be all such interest, save for that within the Income Based Carried Interest rules, which will in turn be taxed fully at 45%.

Currently, there is no suggestion of grandfathering or transitional arrangements for existing fund structures – the new rules may apply in all cases from day one of the new arrangements.

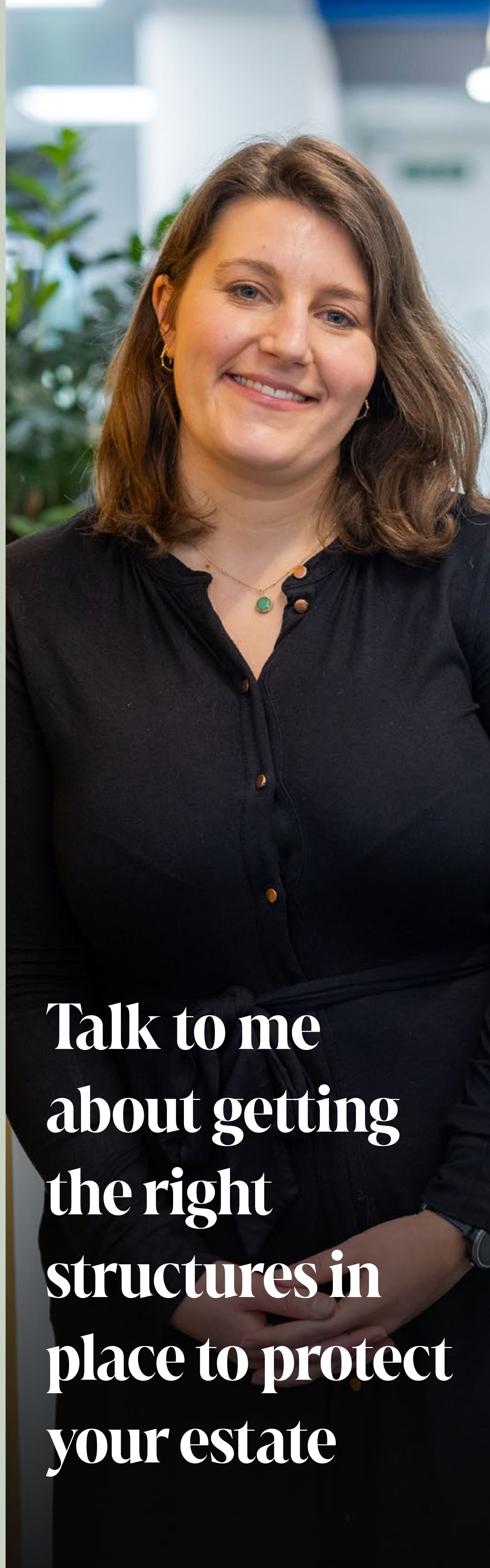
The technical consultation will come to an end in January 2025, with draft legislation being produced thereafter. The new regime is therefore not fully settled, and the industry will no doubt be looking to respond to the consultation.

Whilst the consultation process will provide the industry with the opportunity to voice their concerns

What is carried interest?

Carried interest is a form of performance-related award received by fund managers, primarily within the private equity sector. Unlike other such rewards, which are taxable at income tax rates, carried interest is currently taxed at CGT rates (18% or 28%). The lower rates of tax were designed to recognise the risk many fund managers take when they co-invest in funds and that their return is dependent on the performance of the underlying investments and their ability to generate a prescribed preferred return for their investors. The rates also took into account the amount of time in which investment profits are distributed, the return not being immediate.

Whilst carried interest may at first glance appear to directly affect relatively few, the impact on the sector and wider economy is not to be underestimated. There are some big numbers at stake, for example, in the 2023 tax year 3,000 dealmakers earned £3.7 billion in carried interest.



Talk to me about getting the right structures in place to protect your estate

in respect of the increase, it is also likely that private equity houses are going to need to reconsider how they structure their investments going forward. They will need to take into consideration not only the carried interest changes but also the increase in CGT paid by their investors. The split of any economic interest between investors and the private equity individuals is going to be closely analysed against the need to incentivise the management team (who will also be looking at their own tax position). Finding a balance here is likely going to be become more difficult to achieve.

Of course, the government also has a difficult line to tread. On the one hand it needs to ensure the UK remains 'open for business' and recognise the importance of the investment management industry to the UK economy, particularly given the government's overall aim to boost economic growth. On the other, it has a stated aim of implementing a 'simpler, fairer and better targeted' system that ensures the reward is taxed 'in line with its economic characteristics' and boosting tax revenue.

However, there is a real risk, particularly when viewed alongside other changes affecting internationally mobile taxpayers (i.e. non-doms), that those in this industry will be driven to other jurisdictions with more attractive and more certain tax regimes. Whether or not this helps to deliver the outcome the government is after, we will wait and see.

Katherine Hague
Head of Private Wealth

Lara Bethell
Senior Associate, Corporate

NON-DOMS - SHOULD I STAY OR SHOULD I GO?

Changes to the non-dom tax regime and immigration perspective

The special tax status afforded to non-domiciled individuals (non-doms) living in the UK has long been the subject of political debate. Plans to abolish this regime announced by the previous government were confirmed in the Autumn Budget, with some concessions intended to make the UK a more attractive destination for internationally mobile high net worth individuals. The changes are due to take effect from 6 April 2025 but the draft legislation still has to make its way through Parliament so there may be changes yet. That said, key elements of the proposals are summarised below. Those affected will need to carefully consider how these changes might impact them from a tax and immigration perspective.

Changes to taxation of income and gains and end to the remittance basis

Non-doms have long been able to elect (subject to conditions and payment of a levy in some cases) to be taxed only on their non-UK income and gains to the extent that they are remitted to the UK. This is known as the "remittance basis" of taxation. The remittance basis of taxation will be replaced with a new four-year foreign income and gains (FIG) regime from 6 April 2025. It will apply to an individual arriving in the UK provided they have not been a UK tax resident for the previous ten consecutive tax years. In that golden four-year period they will be 100% free from UK tax on their foreign income and gains, even if remitted to the UK. In that period, individuals claiming FIG could also remit income and gains from offshore trusts free of tax. However, the relief must be claimed in a

CAREFUL PLANNING WILL BE NEEDED TO AVOID INADVERTENTLY TRIGGERING A UK TAX CHARGE

Self-Assessment tax return (by end of January in the second year after the relevant tax year) for each year the individual wants it to apply. The FIG claim will require significant disclosure to HMRC regarding assets held offshore and specifying the income and gains the individual wants the regime to apply to. The relief has to be claimed and will not apply automatically.

Individuals who were born in the UK (with a UK domicile at birth) and who have returned to the UK after being domiciled elsewhere will, in a change to the current rules applicable to such individuals, be able to benefit from the FIG regime for four years.

For individuals who are currently in the UK on the remittance basis of taxation, for a limited period they will also be able to designate and remit income and gains to the UK at a reduced rate of taxation: 12% for tax years 2025/6 and 2026/7 and 15% for tax year 2027/8. This Temporary Repatriation Facility can also apply to foreign income and gains in offshore trusts.

For individuals who have never been UK domiciled or deemed domiciled there is an opportunity to rebase for capital gains tax the value of foreign assets to 5 April 2017 when a disposal is made.

Inheritance tax

For inheritance tax there will be a new residency-based system applying to all personal taxes including inheritance tax. Under the new regime an individual will be within the UK inheritance tax net so subject to inheritance tax on their worldwide estate after being resident in the UK (in accordance with the Statutory Residence Test) for ten out of the last twenty tax years. On leaving, they will remain within the scope of UK inheritance tax for between three and ten years after leaving. The length of the tax tail will depend on how long the individual was resident before leaving. If they leave after ten to thirteen years of residence, they will remain within scope for three years. If they have been resident for twenty or more years before leaving they will remain in scope for ten years.

Who are non-doms?

Broadly speaking, for tax purposes this means individuals who consider a country, state or territory outside of the UK to be their permanent home and the place they intend to return to, and who have not been UK tax resident for more than fifteen out of twenty tax years. At this point they would be deemed domiciled in the UK for all UK tax purposes. With the new regime, the concept of domicile will cease for tax purposes and for individuals who have moved to the UK, their tax status will depend on their long-term residence status.

Offshore trusts

The tax status of an offshore settlement will depend on the long-term residence status of the settlor at the time of a potentially chargeable event. This can mean the tax status of a settlement can fluctuate. As a consequence, whether trust property falls within the scope of UK Inheritance Tax (IHT) will depend on where the settlor lives long-term. If a settlor leaves the UK, the new arrangements could also result in an exit charge for UK inheritance tax. Careful planning will be needed to avoid inadvertently triggering a UK tax charge.

Different rules will apply where the settlor of an offshore trust has died. If they died before 6 April 2025 and were non-domiciled when the trust was established, the assets in the trust will remain outside the scope of UK IHT. If the settlor dies after 6 April 2025, the settlor's long-term residence status at the date of their death will determine if the trust assets fall within the scope of UK IHT.

Overseas workers

From 6 April 2025, a new Overseas Works Relief (OWR) will be based on an employee's residence status. If an individual can claim under the FIG regime, for up to four years they can also claim OWR which (subject to limits and specific conditions) will provide relief from UK income tax on foreign earnings, whether or not they are brought into the UK.

6 APRIL 2025

A focus on immigration

For those already in the UK with permission on a visa, the tax rule changes will present some challenging decisions about whether they keep their long-term home here or elsewhere as they seek to balance mitigating any negative impact on their financial position with the benefits enjoyed as UK visa-holders. In deciding whether to stay or go, individuals affected by the changes to the non-dom rules will need to understand the implications for their UK immigration status.

Those with temporary permission

It will be a particular concern for individuals who hold visas that require they remain in the UK for a minimum period of time. For those who have not completed time on their visa, changing their UK living arrangements to avoid negative financial consequences may mean losing their immigration status or affect their ability to secure long-term immigration status in the UK.

For example, individuals on a visa route that allows them to obtain indefinite leave to remain (ILR) after spending time in a particular visa category, or categories, may no longer be eligible to apply for this stronger status if they relocate or spend more time outside the UK than is permitted under the visa rules.

It also means that a fresh application for a new visa will be necessary if they wish to return to the UK or take up residence at a later date. This will also have the effect of "restarting the clock" for settlement, because time spent on an earlier visa cannot be counted towards ILR where they have broken the "continuity of leave" by leaving the UK or spending too much time outside the country.

Those with permanent residence

Similarly, those who have been granted ILR should be mindful of the consequences of spending too much time outside the UK on their immigration status. It is possible for this status to be lost (or "lapse") where a person has a continuous absence from the UK of two years or more. As the loss of ILR status is automatic under the Immigration Rules there is no discretion to prevent this from happening, regardless of the circumstances surrounding the absence. A person can "restore" their ILR status by making an application to the Home Office as a "Returning Resident" where they have a genuine intention to settle in the UK and where they can demonstrate sufficient ties to the UK. However, the bar is set high and assessment is highly subjective, which make it one of the more difficult visa applications.

Citizenship

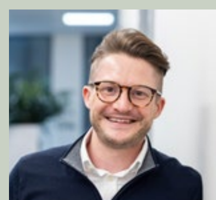
It should be noted here that "domicile" has never been a concept relevant to an application for naturalisation. This means it has been possible for non-doms to apply to become British citizens notwithstanding their tax status.

Those seeking to have an application for British citizenship approved and ending their residence in the UK will need to carefully navigate the citizenship requirements. Naturalisation in the "non-dom" arena can therefore be complicated where the competing priorities of the tax and immigration rules collide and this will continue to be the case when the new tax rules are introduced.

Next steps

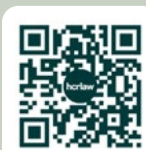
The forthcoming changes will necessitate a careful review of plans and circumstances without delay. As is ever the case with changes to tax rules there are planning opportunities and risks to be aware of and plan around. It will also be imperative for individuals impacted by the changes to non-dom status to consult with an immigration specialist to take advice on how changes in their travel plans and behaviour might fundamentally alter their UK immigration status as well as their eligibility to obtain ILR and/or a British passport.

Bernadette O'Reilly
Partner, Private Client



Adam Cotterill
Senior Associate, Employment and Immigration

Find out about our services for high-net-worth individuals



VIEWS FROM PRACTICE

Whilst the articles in this edition of Nexus aim to provide a detailed summary of the key changes affecting our clients, here, we've asked our contributors for their views from practice and tips for navigating changes.

Katherine Hague
Head of Private Wealth

Whilst the changes to IHT reliefs and pensions are significant, we must counsel against rash decision making. The old adage 'the tax tail not wagging the dog' has never been truer. Each of our clients will have different aims and their own concerns. There is no one-size fits-all solution. Whilst for some restructuring their asset base will be a sensible step, any strategy must work in the longer term. We must remember that the government has a mandate until 2029, when it is possible we could see another regime change. Accordingly, for others, we may consider solutions that cover the short term prospective IHT increase, for example, fixed term life insurance, rather than significant shifts in succession strategies which cannot readily be unwound.

For many years, we have been largely able to put pension pots to one side when planning for IHT liabilities on death. That is no longer the case, meaning that the residence nil rate band will help even fewer people (resulting in additional IHT of up to £140k for a couple) and significantly increasing the taxable value of many estates on death. As a result, some clients will need to consider a different approach to their pensions – perhaps drawing down in lifetime and gifting excess income, setting up an annuity, or otherwise taking out life cover to meet the increase in IHT. Further, reviewing the structure of wills could help to ensure that all remaining IHT allowances and reliefs are fully utilised.

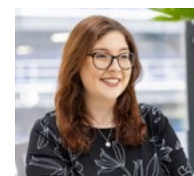
Kerri Woodrow,
Partner, Private Client

Bernadette O' Reilly,
Partner, Private Client

It is not bad news for all non-doms from 6 April 2025. UK born and domiciled individuals who had moved away permanently, will be able to spend more years in the UK before coming within the UK tax net again. Other concessions introduced, also offer important opportunities, if only for a limited time, to bring in income and gains to the UK tax free or at a reduced tax rate. Using these concessions, coupled with domestic succession planning could provide effective estate planning solutions for those wanting to remain in the UK. The inheritance tax “sting” with the rule changes calls for early consideration by individuals and settlors of offshore trusts, to plan appropriately for the forthcoming changes.

The increase in the rate of stamp duty land tax (SDLT) for second homes, buy to lets and company purchases has generated some immediate concern from investors and due to the upfront cost of investing in property will, inevitably, deter some from the residential property market. However, the increase in SDLT (which is a one-time expense) does not negate the growth outlook for the residential property market over the next few years, making investment in residential property one of the best options for long-term growth and financial stability. The retention of existing rates of Capital Gains Tax for residential property may mean investors with diverse portfolios will look to retain their properties and benefit from the continuing rise in property values and levels of rental income. The phrase ‘short-term pain for long-term gain’ may never be more relevant!

Samantha Houlden,
Head of Residential Property



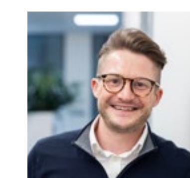
Lara Bethell
Senior Associate,
Corporate

Our view is that the budget is not going to have as significant an effect on corporate transactions as initially anticipated. Whilst the increase in Capital Gains Tax is a disincentive for sellers of a company, the increase is not as significant as originally feared (with an increase of 4% rather than increasing employment tax levels).

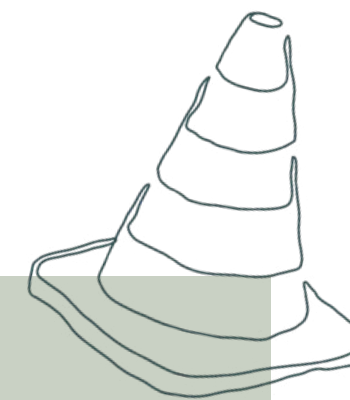
The changes in carried interest however are significant. Private Equity are taxed higher in the UK than the majority of the other European Countries and there is a risk that Private Equity may look to structure their transactions elsewhere in future to take advantage of other countries more favourable tax regimes.

Finally, we suspect that the changes to how farming estates will be taxed will create a need for them to take tax and legal advice to restructure their estates in the most beneficial way. This will likely involve the introduction of trusts, restructuring companies/share rights/introducing growth shares and gifting interests to children much earlier in the farm owner’s lives.

The reform of the system of taxation of non-UK domiciled individuals affects those who currently hold non-dom status and new arrivals into the UK. For the many foreign nationals with UK visas who many now be reconsidering where their future lies, it should not be forgotten that UK immigration law can outlive the tax policy of the Government of the day, and any residence built up in the UK could be swept away by a temporary or permanent move overseas. The message from the UK immigration perspective to those affected is simple: take immigration advice early to understand how travel plans might impact their immigration status now and in the future. For individuals who hold or wish to secure permanent residence, or obtain citizenship, the nature and timing of any relocation plans might be critical.



Adam Cotterill
Senior Associate,
Employment and Immigration



THE LABOUR GOVERNMENT'S PROPOSED PLANNING REFORMS TO DRIVE ECONOMIC RECOVERY

The Labour government has proposed reforms to the National Policy Planning Framework (NPPF). The reforms are part of the government's aim to drive growth in the UK economy through more development. This includes ambitious housing targets and focus on green infrastructure projects. Consultation on the reforms closed in September 2024, with the revised NPPF likely to come into effect early in the new year.

In this article we look at some of the key changes that have been proposed and consider how they may benefit you.

New mandatory housing targets

A key objective of the government and its aim for the planning reforms to drive the economy is to increase the number of houses built per year.

To achieve this, the revised NPPF will introduce mandatory housing targets on local authorities, together with new mechanisms to enforce them. This includes an obligation on authorities to continually demonstrate five years of specific, deliverable sites for housing.

Where higher housing targets are not met, 'tilted balance' or presumption in favour of sustainable development will apply. ('Tilted balance' means that planning permission should be granted to developments unless there is a clear reason for refusing permission or if the adverse impacts of granting permission would significantly and demonstrably outweigh the benefits.)

These changes will no doubt put pressure on local authorities to maintain and review their housing targets. Consequently, they will give greater opportunity for residential development for developers, landowners and promotors, whether through site allocations or application of the tilted balance.

Changes to green belt policies

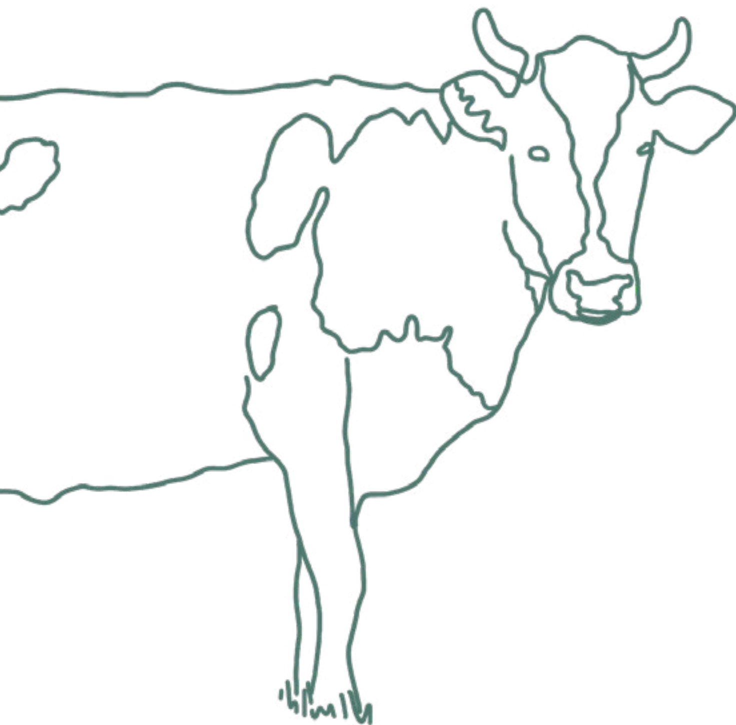
Changes are proposed to the NPPF to introduce mandatory green belt reviews where commercial and housing needs are not met. These reviews will force local authorities to release land from the green belt unless they provide clear evidence that such alterations would fundamentally undermine the

THE PROPOSED REFORMS ARE CONSISTENT WITH THE NEW GOVERNMENT'S AIM TO TRANSFORM THE UK INTO A CLEAN POWER NATION

function of the green belt across the area of the plan as a whole.

The reforms also propose introducing a 'grey belt'. This is defined as land in the green belt that consists of previously developed land or land that makes a limited contribution to green belt purposes. It excludes areas or assets of particular importance such as national landscapes, SSSIs or heritage assets.

Grey belt land can be considered for development where an authority cannot demonstrate a five-year housing land supply, delivery in their area is less than 75% against the Housing Delivery Test or where there is unmet commercial or other need.



To continue to protect the green belt, the government is proposing introducing 'golden rules' for major development. These will ensure that any building on green belt land delivers significant public benefit and does not overly reward landowners.

If you are an owner of land in the green belt within a local area that struggles to meet its housing targets and commercial development needs, then these changes could potentially open the door to development potential and the significant increase in land value.

Focus on infrastructure projects

The planning reforms include a strong focus on driving infrastructure projects in the UK. There is a particular focus on speeding up the process for granting permission for renewable energy infrastructure such as solar and onshore wind projects (which were banned by the previous government). The proposed reforms are consistent with the new government's aim to transform the UK into a clean power nation.

The reforms also look to support the development of "knowledge, creative, high technology and data-driven sectors". Authorities will need to identify suitable locations for such things as laboratories, gigafactories and data centres.

Similarly, the planning reforms propose giving significant weight to projects such as hospitals, prisons, schools and childcare facilities. There will be a presumption that such projects are approved unless very strong reasons are given otherwise.

There will also be reforms to transport planning. Priority is given first to pedestrian and cycle movements, and second to facilitate access to high-quality public transport.

Anyone interested in the above industries should be greatly encouraged by the potential growth and investment opportunities within the UK.

New design code for development and upwards extensions

The proposed revised NPPF will do away with the references to "beauty" and "beautiful". Instead, the government is proposing a National Model Design Code (or, where available, local design codes) as the means for assessing and improving the design of development.

The planning reforms will also loosen restrictions for homeowners to extend their properties upwards, provided the extension matches the prevailing form of an area. This includes mansard roof extensions.

Certainly, for residential landowners it is expected that these reforms will improve the prospect of securing permission for an extension to houses, in particular upwards extensions.

THERE IS A PARTICULAR FOCUS ON SPEEDING UP THE PROCESS FOR GRANTING PERMISSION FOR RENEWABLE ENERGY INFRASTRUCTURE SUCH AS SOLAR AND ONSHORE WIND PROJECTS

Talk to me about supporting your agricultural business needs

Expect increased planning fees and more planning appeals

The planning reforms are not all good news for landowners and developers. The government has mooted proposed increases in planning application fees. These fees were only increased in December last year by the previous government.

Further, as local authorities come to grips with the new planning policies and update their local plans, there is likely to be much tension as local councillors try to balance the competing interests of their constituents. Given such issues, it is most likely that many more planning permissions may need to be secured on appeal to the Planning Inspectorate. This will no doubt delay the development implementation and the growth the government helps the reforms will achieve.

Encouraging signs for economic growth

Overall, the proposed planning reforms by the new government have the potential to encourage economic growth in the UK. At the same time, they will create greater opportunity for developers, landowners, promoters and investors across all sectors of the economy.

Brendon Lee
Legal Director, Planning, Highways & Environment

Stephanie Dennis
Partner, Agriculture and Estates

A revised method for assessing housing needs will support the government's ambition to deliver 1.5m homes over the next five years

Source: Gov.uk

Find out how we can support you throughout the development process

PREDATORY MARRIAGES - WHAT SAFEGUARDS EXIST?

Predatory marriage is a concept that has gained prominence in legal discussion in recent years, especially in cases involving vulnerable individuals such as the elderly or those lacking mental capacity.

A predatory marriage can occur when an individual is not able to fully comprehend the implications of marriage, perhaps due to cognitive decline or mental incapacity. In such instances, they may be susceptible to being exploited by a 'predatory party' and manipulated into marriage. On marriage, the predatory party, now spouse, can secure legal rights over the victim's financial estate and resources. This is, by its very nature, concerning, but perhaps even more so where there are significant assets involved.

Unfortunately, predatory marriage happens more often than you might think. But what are the consequences when it comes to the question of wills and probate? What legal protections and options do victims and their families have? We can explain by looking at a scenario we sadly see too often.

A common path to predatory marriage and the problem that arises

In our example, an elderly widow inherits the whole marital estate after the death of their spouse. The widow may be frail, lonely and vulnerable. Often, she is receiving care.

The care giver may be charming and attentive and thus able to build up a relationship with the widow. They are able to prey on the widow's vulnerabilities and isolate her from others, fostering a sense of dependency. Ultimately, the care giver exploits the widow's vulnerabilities to the extent that they manipulate her into marriage.

The problem comes when we consider a fact that many people are unaware of. Any existing will is automatically revoked on marriage under section 18 of the Wills Act 1837. This means that even if the widow had a will in place before the new marriage, if she does not make a new one, she will die intestate, and the estate will pass under the rules of intestacy. In this case, this would significantly benefit the predatory spouse.

A PREDATORY MARRIAGE CAN OCCUR WHEN AN INDIVIDUAL IS NOT ABLE TO FULLY COMPREHEND THE IMPLICATIONS OF MARRIAGE, PERHAPS DUE TO COGNITIVE DECLINE OR MENTAL INCAPACITY

It is possible to make a will in contemplation of marriage, in which case it would not be revoked. It is also, of course, possible to make a will after marriage. However, in the case of predatory marriage, neither course of action is likely to lead to a will that benefits people who were beneficiaries of the original will.

Challenging the validity of a suspected predatory marriage

Predatory marriage often involves elements of undue influence or fraud.

Undue influence occurs where one party exerts excessive pressure or influence on another, overriding their ability to make independent choices. The nature of the influence can take many forms and often there is no direct evidence of it.

Fraud involves deception that leads a person to enter into a marriage under false pretences.

In both cases, and while the parties to the marriage are alive, the family or friends of the unwilling party to the predatory marriage may have grounds to challenge the validity the marriage.

Under Section 12(1)(c) of the Matrimonial Causes Act 1973, if a marriage has been entered into but one party did not validly consent to it as a result

of unsoundness of the mind, it is voidable. Upon an application to court the judge will assess all the relevant facts and consider whether the vulnerable party was coerced or misled. The court has the power to render the marriage voidable.

If a marriage is not legally valid in the first place, the affected party can seek an annulment. There are strict time frames around annulment, and it is paramount to seek advice as early as possible. Unlike divorce, there is no requirement to be married for a minimum of 12 months before applying.

Challenging the validity of a will executed after a predatory marriage

If a will is executed following a predatory marriage and it does not provide for the victim's family and friends who benefitted under a previous version of the victim's will, they may have the grounds to challenge the validity of the will.

The grounds and basis for such a claim will, of course, depend upon the specific facts of a case. The courts have the power to set aside a will and reinstate a previous will.

A claim under the Inheritance (Provision for Family and Dependants) Act 1975 ('the 1975 Act') may also be considered by children or dependants of the widow in these circumstances. Unfortunately, the 1975 Act could also act in the favour of the predator. If the victim has a will that does not provide for the predator, that is, their spouse, they fall into one of the categories of people who can bring a claim under the 1975 Act.

Safeguarding against exploitation

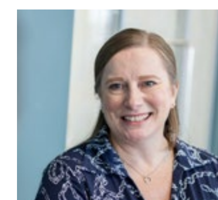
Unfortunately, predatory marriage represents a significant risk for vulnerable individuals. Understanding the legal implications and potential remedies is essential for protecting the rights and assets of affected individuals. Family and friends should be vigilant and proactive to safeguard against exploitation and seek legal advice where required.

ANY EXISTING WILL IS AUTOMATICALLY REVOKED ON MARRIAGE UNDER SECTION 18 OF THE WILLS ACT 1837

What are the warning signs of a predatory marriage?

Warning signs of predatory marriage that friends, family and other caregivers should be aware of include:

- Sudden changes in behaviour or relationships.
- Isolation from friends and family.
- Significant financial changes such as the transferring of assets.
- Rapid marriage arrangements.



Sally Robinson
Head of Family, Central England

Beth King-Smith
Head of Disputed Wills, Trusts & Estates and Worcester Private Client

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