

UNLOCK £1,000s

with these tax saving actions



Why This Matters More Than Ever



If you're a pharmacy director, business owner, or high-earning professional, you're likely paying far more tax than necessary. With personal allowances frozen at £12,570 until April 2028 and tax rates climbing from 0% to a staggering 45%, the window for smart tax planning has never been more critical.

Here's the shocking truth: High earners often face effective tax rates exceeding 60% due to personal allowance tapering. But it doesn't have to be this way.

The £100,000 Trap That's Costing You Thousands

Once your income hits £100,000, the taxman starts clawing back your personal allowance. For every £2 you earn above this threshold, you lose £1 of allowance—creating a punitive tax spike that catches many professionals off-guard.

The result? You could be paying an effective rate of over 60% on income between £100,000–£125,140.



Key Tax Strategies

1

Salary Sacrifice Schemes:

Employees can reduce their taxable income through salary sacrifice arrangements, such as contributing to pensions or participating in schemes like Cycle to Work. This strategy helps keep income below the £100,000 threshold, thereby protecting personal allowance. We saved a Client in Bristol Mr M Maryon 1.4k by making a pension contribution of 6.4k.

2

Dividend Planning:

Company directors can take a low salary and receive the rest as dividends, taxed at just 8.75% (versus 20% on salary). With the £500 dividend allowance and family shareholding structures, couples can double their tax-efficient income. Case study: Our Cardiff pharmacy client saves thousands annually through strategic family dividend planning.

3

Charitable Donations:

Gift Aid donations extend your basic rate tax band, moving more income from 40% to 20% tax. Plus, you get 25% relief on the donation itself. Case study: Our locum client's charitable giving saved him 20% on thousands in donations while reducing his higher-rate tax bill.

4

Property Income Management:

Use the £1,000 property allowance and claim all allowable expenses. Strategic dividend timing can keep total income below £50k, avoiding the 33.75% dividend tax rate. Case study: Our varying dividend payments structure helps pharmacy directors with property income stay in lower tax brackets, saving thousands annually.

5

Advanced Investment Options:

VCTs, EIS, and SEIS schemes offer up to 50% income tax relief plus capital gains tax deferrals. Perfect for high earners looking to reduce tax while building wealth. Case study: We helped a client save £9k in tax through strategic SEIS and EIS reinvestment.



How high earners can save 1000's through these tax saving action plan



Marriage Allowance Oversight: Couples waste up to £252 annually by not transferring unused personal allowances. A simple HMRC form fixes this.

Undeclared Side Income: Income over £1,000 from freelancing or property must be declared. Penalties are harsh, and you might push yourself into higher tax brackets unnecessarily.

Missing Business Deductions: Self-employed individuals leave thousands on the table by not claiming legitimate expenses. We save our personal tax clients thousands

Your Tax-Saving Action Plan

Immediate Actions (This Month):

- 1 Maximise dividends up to the £50k limit to stay in the 8.75% tax bracket
- 2 Implement family dividend planning - share income with spouse/family at
- 3 Claim marriage allowance if applicable - instant £252 annual

Strategic Planning (Next 3 Months):

- 4 Declare charitable donations under Gift Aid to reduce higher-rate taxes
- 5 Set up salary sacrifice schemes for car, cycle-to-work, and pension
- 6 Review and maximise allowable expenses including trivial benefits and

Major Decisions (Before Next Tax Year):

- 7 Consider incorporation if property or self-employed income exceeds £50k
- 8 Explore VCTs/EIS investments for high earners seeking 30-50% tax relief
- 9 Book a tax planning consultation to identify your specific £1,000s in savings

Download Our In-Depth Tax Planning Guide on Personal Allowances Here

Book A free 15 minute Business Call