

INSIGHT

A WEALTH OF **ADVICE**

ArmstrongWatson®
Financial Planning & Wealth Management



**INVESTING THROUGH
A CRISIS: WHAT THE
IRAN WAR MEANS
FOR MARKETS**

**THE NEW WILLS
BILL: WHAT COULD
CHANGE AND WHAT
IT MEANS FOR YOUR
ESTATE PLAN**

**10 KEY TAX CHANGES
FROM APRIL 2026**

**INHERITANCE TAX
CHANGES AFTER
APRIL 2026 - WHAT
BUSINESS OWNERS
NEED TO KNOW**



Our Quest

To help our clients achieve
prosperity, a secure future
and peace of mind.

...we're with you.

ArmstrongWatson[®]
Financial Planning & Wealth Management

Contact our Financial Planning Consultants to book an appointment today:

Call **0808 144 5575** or visit www.awfp.co.uk

WELCOME

Welcome to our latest issue of Insight – A Wealth of Advice

The new tax year brings a natural opportunity to review finances and 2026/2027 comes with meaningful changes that could affect how we report income, plan succession and structure family wealth.

Against a backdrop of modest growth expectations, and ongoing market uncertainty influenced by global events, it's more important than ever to take a step back, review your position, and focus on the areas you can control – your tax planning, investment strategy, and long term protection for those who matter most.

Included in this edition:

Key tax changes from April 2026 – including reforms that could affect succession planning, business exits and reporting obligations as the new tax year is underway.

Creating a 'just in case' folder – the importance of organising your affairs to spare loved ones unnecessary distress at an already difficult time, ensuring they can locate everything they need to manage your financial affairs and distribute your assets according to your wishes.

What business owners need to know about Inheritance Tax changes after April 2026 - it's not too late to act now the rules have changed, but planning should be done at the earliest opportunity.

We hope you enjoy this issue. If there are any topics you would like us to cover in future editions, please get in touch. If you would prefer to download a digital copy or subscribe to new issues electronically, please visit: www.armstrongwatson.info/Insight



PAUL DICKSON

CHIEF EXECUTIVE AND
MANAGING PARTNER
ARMSTRONG WATSON LLP

INSIDE THIS ISSUE



- 04** 10 key tax changes from April 2026
- 06** Investing through a crisis: what the Iran war means for markets
- 08** Inheritance Tax changes after April 2026 - what business owners need to know
- 10** Help your loved ones by creating a 'just-in-case' folder
- 12** Important tips for university students and their parents
- 14** Are you thinking about buying an electric vehicle?
- 16** The new Wills Bill: What could change and what it means for your estate plan
- 18** Meet the adviser - Jacob Proudfoot

10 key tax changes from April 2026

The 2026/2027 tax year represents a significant shift in the UK's fiscal landscape. While several of these measures were announced in previous Budgets, April 2026 marks the point of implementation for reforms affecting business succession, digital compliance, and increasing costs for businesses.

Within this article are the ten most significant areas requiring professional attention as a priority.

1. Restricted Agricultural Property Relief and Business Property Relief for IHT

From 6 April 2026, the 100% Inheritance Tax (IHT) relief for Agricultural Property Relief (APR) and Business Property Relief (BPR) will be capped at a combined £2.5 million allowance per individual.

Qualifying agricultural and business assets exceeding this threshold will receive 50% relief, resulting in an effective IHT rate of 20%.

The £2.5m allowance is transferable between spouses and civil partners, allowing 100% relief on qualifying assets up to £5 million.

This is a significant change that places greater importance on succession planning to protect business assets and family wealth. Business owners should review their Wills, consider lifetime gifts and asset structures to ensure both allowances are fully utilised.

2. Increased Business Asset Disposal Relief (BADR)

The tax cost of exiting a business continues to rise. Following the 2025 increase to 14%, the Capital Gains Tax (CGT) rate for qualifying disposals under BADR rises to 18% on 6 April 2026.

The £1 million lifetime limit remains in place but the impact of the further rate increase means, for example, that on a qualifying gain of £1 million, the

tax liability will have increased from £100,000 (at 10% pre-2025) to £180,000 in April 2026.

3. Making Tax Digital (MTD) for Income Tax

April 2026 marks the mandatory start date for Making Tax Digital (MTD) for Income Tax.

This applies to self-employed individuals and landlords with a qualifying gross income (not profit) over £50,000 (reducing to £30,000 from April 2027).

MTD requires affected taxpayers to keep digital records and submit quarterly summaries of income and expenses to HMRC via compatible software, replacing the single annual return.

4. Dividend tax rate hikes

To further align the taxation of investment income with earned income, dividend tax rates are increasing by 2% from April 2026. The basic rate will rise from 8.75% to 10.75%, and the higher rates will increase from 33.75% to 35.75%. With the tax-free dividend allowance remaining at just £500, profit extraction strategies for director-shareholders may require review. This change was announced in the 2025 Budget, along with increases to tax on savings and property income.



5. Inheritance Tax on AIM-listed shares

Shares listed on the Alternative Investment Market (AIM) will no longer qualify for 100% BPR relief. Instead, they will be subject to a flat 50% relief rate across their entire value. This results in a permanent 20% IHT liability on death for these holdings, significantly altering their role in estate planning.

6. Employee costs

Above-inflation increases to National Minimum Wage rates will apply from April, further increasing employment costs for businesses.

7. Business incorporation

From April 2026, businesses that choose to convert to a corporate structure will no longer automatically qualify for incorporation relief (to exempt the capital gains tax charges associated with incorporation) if the conditions are met. The relief will have to be claimed by the tax payer on their self-assessment return.

8. Working from home allowance

The working from home allowance will be removed from April 2026. This has been used to allow employees who were required to work from home to claim a weekly deduction of £6 for costs associated with working from home without the need for a receipt and has been popular for those working in the professional services sector.

9. Business rates for retail and hospitality

New rateable values for non-domestic properties in England and Wales are effective from 1 April 2026 and could substantially change rates bills for many businesses. Local councils use rateable values to calculate business rates.

Lower multipliers will apply to retail, hospitality, and leisure properties with a rateable value under £500,000 – 38.2p for properties with a rateable

value below £51,000 and 43p for properties with a rateable value between £51,000 and £499,999.

This is offset by an increased multiplier for properties with rateable values over £500,000, such as distribution centres and major office blocks. There is no lower multiplier for larger RHL properties in this category.

In Scotland, new rateable values will also be in place, with the poundage of the basic, intermediate, and higher property rates reduced by 1.7p 1.9p and 2p, respectively. There is support for retail, hospitality and leisure businesses, however, this is capped at £110,000 per business.

10. EMI share option scheme expansion

In a positive development for high-growth SMEs, EMI share options have been opened up to a wider audience, with companies with up to 500 employees (up from 250) and gross assets of up to £120 million (up from £30 million) now being able to offer tax advantaged share options. This allows larger companies to continue using tax-advantaged share options to recruit and retain key staff. In addition, employees will also be able to hold unexercised options for up to 15 years (up from 10 years).



Measure the impact on your business

These measures will reshape how businesses pass on value, extract profits, stay compliant and manage their workforce. Reviewing how the changes could impact your business can prevent costly surprises in the future.



For further support and advice about any of the incoming changes, please contact our team on 0808 144 5575 or email help@armstrongwatson.co.uk

BECKY BOWNESS
HEAD OF TAX - PARTNER

Investing through a crisis: What the Iran war means for markets

In the previous edition of Insight we explained how markets had been performing well on the back of strong economic growth in China, recent reductions in interest rates, and the fiscal stimulus to come from German spending and US tax cuts. We cautioned, however, that geopolitical tensions were a risk and that economic disruption could quickly reverse investor optimism. Given the volatile nature of global relations, that was perhaps not an overly brave warning, and, lo and behold, it has materialised with the Iran war.

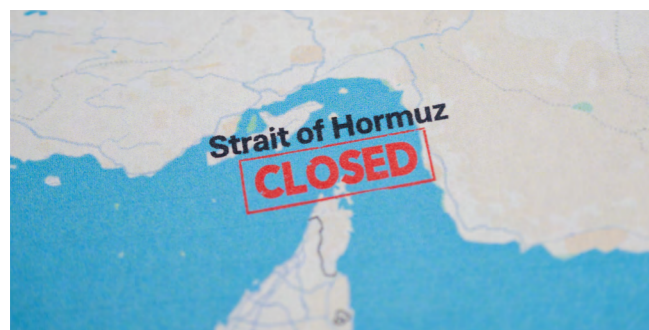
The threat of closing the Strait of Hormuz has been a fear for global investors for decades, with numerous US presidents warned off attacks on Iran, given Tehran's ability to affect the global supply of gas and oil. This threat had been sufficient to hold an uneasy peace, but this theoretical reaction has now been shown to be effective in practice. Despite the assassination of key leaders and the overwhelming military superiority of the US and Israel, the Iranian regime has survived and is forcing a US climbdown through the damage it has inflicted on the global economy.



Supply chain chokepoints

This once again shows the power of chokepoints in global supply chains. The 2021 Suez Canal blockage caused by the crash of the Ever Given cargo ship and the disruption to energy and agricultural commodities in 2022 from Russia's invasion of Ukraine both have comparable elements, while the Covid-19 pandemic of 2020 caused huge disruption as global manufacturing collapsed under lockdowns. Each of these created an inflation spike, and this has been the key financial concern regarding the current situation in the Gulf.

While 2022 appears to be the most direct comparison, with war leading to oil prices spiking well above \$100/barrel, the surge in inflation to 11.1% which followed was a combination of all three events listed above, as well as the fact that UK gas prices jumped to above £6/therm. The high point for gas during this crisis so far has been just below £1.60/therm.



Moderate inflation impact

While concerns for inflation have risen, these differences explain why they have not done so to anywhere near the same extent as happened four years ago. The interest rate reaction is also expected to be of a much smaller scale. Interest rates increased from 0.5% in early 2022 to 5.25% in August 2023, yet now the discussion is whether rates will be forced to be between 0.5% and 1% higher than predicted before the outbreak of war (the UK interest rate had previously been expected to fall by 0.5% this year).



Managing the market response

Against this backdrop, investment markets have fallen as the conflict escalated and have rallied when signs of a truce emerged, such as following the recent announcement of the two week ceasefire. Equities have followed this pattern as

the prospects for global growth directly affect the expected returns of companies, and bonds too have taken this path. While bonds often provide defensive properties at times of economic crisis driven by collapses in demand, when it is a supply side issue, leading to inflation, the fixed returns of bonds fall in relative value. This means that there are few places to hide in such a scenario. Gold may have been expected to provide a relative 'safe-haven', but given the surge in value it has experienced over the past year as it was swept up in a wave of speculation, its diversifying qualities have faded.

What this means for managing investment portfolios is that volatility must be tolerated, so long as long term trends are expected to resume. This is the strategy favoured by our team in managing the Future Money portfolios, with those areas being favoured that show promising economic growth prospects, while maintaining reduced exposure to those areas we feel to be overvalued, such as the largest AI-linked stocks.

We believe that a lasting reopening of the Strait of Hormuz will eventually be secured, and at that point, the energy market will quickly move towards more normal conditions. Donald Trump is highly incentivised to secure this, given the political pain he will feel in the US mid term elections later this year, should a lasting energy shock be the outcome of his war of choice.

All content accurate at the time of writing - 20/04/26

Important Information



RICHARD COLE
FUND MANAGER
FUTURE MONEY LTD

Please note that the contents are based on the author's opinion and are not intended as investment advice. This information is aimed at professional advisers and should not be relied upon by any other persons.

Any research is for information only, does not constitute financial advice or necessarily reflect the views of the author and is subject to change.

It remains the responsibility of the financial adviser to verify the accuracy of the information and assess whether the fund is suitable and appropriate for their customer.

Past performance is not a reliable indicator of future performance. The value of investments and the income derived from them can fall as well as rise and investors may get back less than they invested.

Important information about the funds can be found in the Supplementary Information Document and NURS-KII Document which are available on our website or on request.

For any information about the Future Money funds please contact the authorised corporate director, Margetts Fund Management Ltd, on 0121 236 2380, admin@margetts.com or at 1 Sovereign Court, Graham Street, Birmingham B1 3JR. A copy of their Terms of Business which relates to investments into the funds can also be obtained using these contact details.

Inheritance Tax changes after April 2026 - what business owners need to know

Changes to Inheritance Tax reliefs were introduced on 6th April 2026, and the scope of 100% Agricultural Property Relief (APR) and Business Property Relief (BPR) – which was previously unlimited to qualifying assets - is now capped at a combined allowance of £2.5m per individual.

Qualifying business and agricultural assets above the £2.5m allowance will receive 50% relief, therefore giving an effective Inheritance Tax (IHT) rate of 20%.

Any unused allowance can be transferred to a surviving spouse/civil partner, allowing up to £5m IHT relief, and the Government has confirmed that if your spouse died before 6th April 2026, you will receive the full relief, even if they passed assets to someone other than their spouse.

This means, if you haven't already, you will need to consider your business succession plan - how these changes impact your estate, and how your assets will be passed on to the next generation, as the changes could result in an IHT liability on death.



Here are the answers to some key questions business owners need to know.

1 Is it too late to act now that the IHT rules have changed?

No, it's not too late to plan. While some planning needed to be completed pre-April, planning can continue, and should be done at the earliest opportunity to mitigate the impact of the changes, particularly if you have a larger estate with qualifying assets valued at more than £2.5m, as complex planning can take time.

2 What should I prioritise in planning?

- **Your objectives first:** Consider who should own and run the business, when you will retire, and how much income you will need when you do. Make sure your tax strategy follows the plan, not vice versa.
- **Family input and wishes:** Speak to your family about your plans and how they could impact them.
- **Value qualifying assets:** Confirm valuations and identify any 20% exposure above it.
- **Review wills and agreements:** Ensure your will, shareholder/partnership agreements, and any trusts, reflect the new regime and your desired allocation of the 100% allowance.
- **Check your exposure to the Alternative Investment Market (AIM):** Consider alternatives if the new 50% relief (previously 100% IHT relief) for AIM-listed shares undermines your original strategy.
- **Model cash-flows** to fund any liability (dividends, insurance, staged disposals) and keep documentation ready.

3 Will my spouse/civil partner automatically get my unused allowance?

Yes, any unused allowance is transferable on death, including where the first death was before 6 April 2026. It's not necessary for both spouses to jointly own the qualifying assets for transfer to work; the allowance can pass even if only one spouse owned the assets. This gives couples up to £5m of 100% relief on APR/BPR assets on the second death.

4 Can I still make lifetime gifts, and how will this help my position?

Lifetime gifts remain a useful tool, but the new rules mean timing and structure matter more than ever. Transferring qualifying business assets during your lifetime can move future growth outside your estate and use some or all of your £2.5m 100% APR/BPR allowance. For individuals, the allowance refreshes after seven years, so well-timed gifts can create room for later planning.

You will need to ensure you consider the loss of income and control over these assets, as well as potential capital gains implications.

5 Is it still beneficial to use trusts?

Trusts still have an important role, and are particularly useful when you haven't decided on your succession plans or where you need to remove assets from your estate but haven't decided who should own them. Trusts can hold such assets away from everyone's estate until such decisions are made, but need careful consideration, and you should seek advice in the area, as there are tax charges that can apply every time assets leave a trust and every ten years, although these charges are quite small in comparison to the main IHT rate.

6 Do I need to review my pension structure?

It is common to hold business premises in a SIPP or SSAS pension structure; currently, this is not an issue as the pension is exempt from IHT, but after 6 April 2027, this could have significant implications because pension assets are not classed as relevant business property or agricultural property, so do not qualify for BPR or APR.

7 Should I consider life insurance to help cover my Inheritance Tax bill?

Life insurance is an effective way of protecting the next generation, and can make a significant difference, providing a fund for inheritance tax should anything unexpected or tragic happen, rather than your beneficiaries having to sell off your assets.

It may also be appropriate to pay potential IHT, if you die in the first seven years after making a gift.

Take action to protect your assets and your family's position

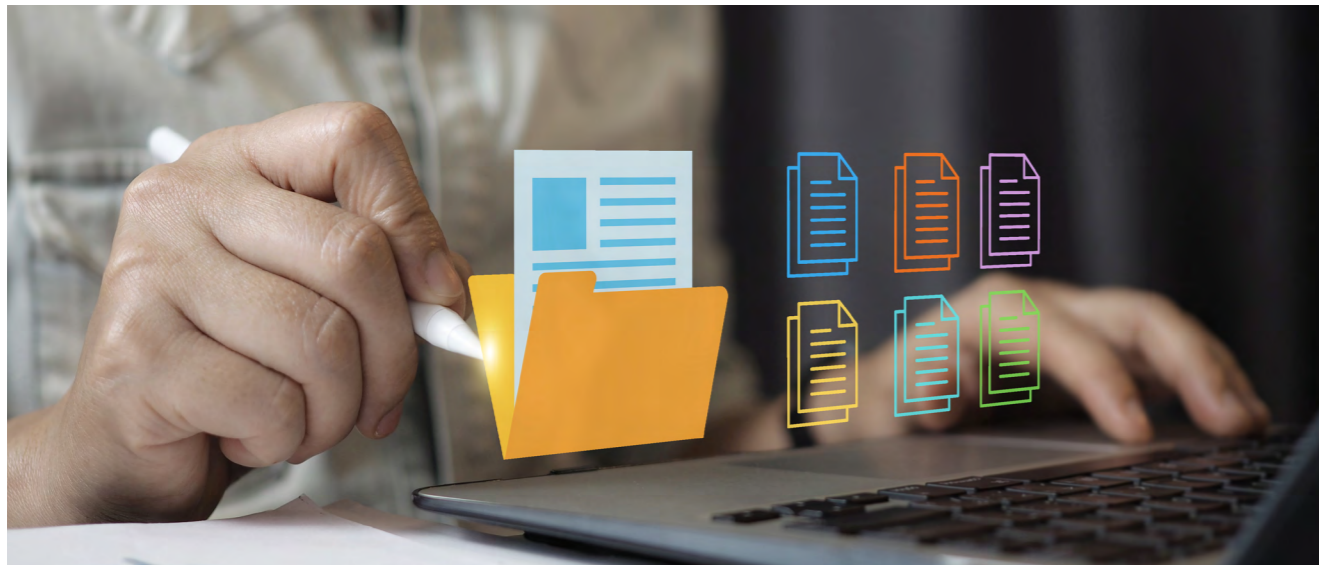
These are huge, once-in-a-generation changes. It is important to build a plan that balances family circumstances and goals, business continuity and tax efficiency. A structured review now - values, reliefs, wills, trusts, and funding - will give you clarity and options.



If you would like to discuss your next steps, please speak to one of our specialists.
Call **0808 144 5575** or email help@armstrongwatson.co.uk

JUSTIN ROURKE
FINANCIAL PLANNING DIRECTOR - HEAD OF ADVICE

Help your loved ones by creating a 'just-in-case' folder



The last thing any of us wants is for our family to be left in the dark at a time when they are grieving. While death is never an easy subject to contemplate, preparing for it is one of the most practical and caring things you can do for those you leave behind.

By organising your affairs - clearly, accessibly and securely - you can spare your loved ones unnecessary confusion and distress at an already difficult time, ensuring they can quickly locate everything they need to manage your financial affairs and distribute your assets according to your wishes.

Why a 'just-in-case' or 'if I die' folder matters

Administering an estate of any size requires access to information - knowing what accounts exist, where documents are stored, and how to contact relevant organisations. When this information is scattered, outdated or unknown, the probate process becomes more stressful and time consuming for family members.

Preparing this information in one place is as important as tax planning and estate planning—and in many ways is the final step that ensures all your other planning actually works.

What to include

Your 'folder' can be physical, digital or a combination of both. The key is clarity, accuracy and accessibility, but without compromising security.

With more of our assets, accounts and records now stored (often solely) online—and with the introduction of electronic wills under the proposed Wills Bill—ensuring they are accessible after death is essential.

It's important to note that you should not leave a list of usernames and passwords. Sharing passwords breaches security protocols and, in some cases, terms of service. Instead, you will need to list account names and appoint a digital executor (a growing recommendation in will writing) to manage your digital assets.

Your folder should include:

- 1. Key personal documents** – most importantly your will, along with birth, marriage and divorce certificates as well as your National Insurance number, passport and driving licence.
- 2. Financial and legal information** - bank accounts (including savings and ISAs), investment accounts and portfolio statements, pension details/digital pension portals, insurance policies, mortgage or property ownership documents and details of debts or loans.
- 3. Digital assets and online accounts** - email accounts, personal digital storage for photos/documents, utilities and subscriptions and social media accounts. Many, if not most, of your financial and legal information may be held online (listed above). All of this may be locked behind privacy protections if no instructions are left behind.
- 4. Contact information** – a list of key people and organisations such as your solicitor, financial planner, accountant and providers to give your executor and family clear starting points.
- 5. Funeral wishes and personal notes** - preferences for burial, cremation or ceremony and notes about sentimental items or instructions not covered by the will may also be included.

Storage and accessibility

You'll need to choose a secure way to store all of your information. This might be a safe, a digital vault or a sealed envelope held by your solicitor.

You'll also need to inform your executor, solicitor or next of kin about what you've prepared, where it's stored and how they can access it. For safety and continuity, sometimes it helps to let two trusted people know where your 'just-in-case' folder is kept.

It's important to ensure you update the information in your folder as your circumstances change, and it's also wise to have Power of Attorney arrangements in place so that someone you trust is legally empowered to act if you lose mental capacity during your lifetime. Although separate from post death planning, Powers of Attorney sit naturally within this preparation, as they ensure continuity and clarity at every stage of life. This folder will be useful in case of emergencies, if you were to suddenly become incapacitated and perhaps end up in hospital unable to look after your affairs, or if you needed help permanently or temporarily.

A practical legacy

Pulling all of the above together isn't about being morbid—it's about being thoughtful. It reduces uncertainty, prevents administrative stress, and supports your loved ones at a time when they will need it most.

When you have worked hard to build your financial security, completing this final piece of organisation ensures it benefits the people you care about, smoothly and with minimal complication.



If you'd like further advice and support or you would like to revisit your estate planning, please get in touch. Call **0808 144 5575** or email via help@armstrongwatson.co.uk

EMMA COPLEY
FINANCIAL PLANNING CONSULTANT

Important tips for university students and their parents

Going to university and getting that first taste of independence is an exciting step for students. There's a lot to take on board, and parents often wish to support their children financially where possible.

If you have a child who is about to go to university, there are a few tax planning points you both might consider:

Funding your children through university

Many parents plan to provide their children with an income so that they will not need to work or to minimise the need for them to take out a loan whilst they are at university. Usually, this income is paid out of your net income i.e. after tax. However, if you own some income-producing assets, such as a share of the family company or investments, and you do not require the capital, it may be possible to transfer these assets into trust for the benefit of your adult children. Structured correctly, this could allow any income received on these assets to be passed directly to them, making use of their personal allowance and, potentially, their basic rate band, in order to reduce your tax burden.

Additionally, gifts out of normal expenditure – a regular gift, that is from your normal income and does not reduce your standards of living – are normally free of inheritance tax, and paying in a lump sum, and surviving for seven years can also be inheritance tax efficient.



Purchasing a student house

With the costs of student accommodation equating to a large proportion of their outgoings, you may be considering purchasing a property for your child to live in whilst at university. It is important that you are aware of the tax implications of this. If purchasing in your own name, the 5% Stamp Duty Land Tax second property surcharge is likely to apply; this is up from 3% in 2024. In addition, on the sale of the property, Capital Gains Tax would be due on any increase in value.

Purchasing the property in your child's name could prevent this, but would involve giving away the capital, and your child would have legal control to sell the property, without your knowledge, should they wish.

A trust arrangement can offer a middle ground, allowing you to retain control over the property whilst benefiting from the reliefs available to your child.

Income Tax on student earnings

Many believe that students are exempt from paying tax; this is not the case. However, every individual can earn up to the personal allowance, currently £12,570, per year, before tax needs to be deducted.

If they only work during the holidays, they could end up with an incorrect tax code, which would result in Income Tax being deducted from their earnings. In this case, a tax repayment claim (form R40), can be submitted after the year-end in order to reclaim any overpaid tax.



Planning ahead to cover university costs

If you're able to plan ahead and make savings or investments before your child goes to university, it can be beneficial. Our financial planning team also has some advice about the options you may wish to consider.

Parents looking to pay university fees for their children may want to either invest a lump sum, pay out of income, or set up a regular savings scheme to provide funds to cover future fees. There are several options available to help make fees more affordable, and they can be both tax-efficient and flexible.

There are a number of alternatives to cash savings accounts, however, these may mean taking on additional risk, and you need to consider how much risk you wish to take with each investment.

Working out how best to invest for education fees involves determining your own attitude to risk, investment timeframe and how you wish to pay the fees. Another option is using your annual ISA allowance, which permits tax-efficient contributions of up to £20,000, though this is set to change in 2027.

The right advice will help to avoid unexpected tax consequences and will enable you and your child to focus on other things, such as the study versus socialising balance.



If you have a child leaving for university this year and you're considering supporting them financially, get in touch for more support.

Call 0808 144 5575 or email help@armstrongwatson.co.uk to speak to a member of our team.

GRAHAM POLES
TAX PARTNER

Are you thinking about buying an **electric** vehicle?



For many, the prospect of owning an electric vehicle (EV) is appealing. A quiet and smooth drive, with the convenience of “refuelling” at home and the prospect of lower running costs; EVs can feel like a lifestyle upgrade as much as a transport choice. Still, as with any meaningful purchase, it pays to weigh the practicalities, costs and planning of EV ownership.

Key considerations of electric vehicles include:

1 Infrastructure

The UK’s public charging network is continuing to expand, with more ultra-rapid hubs on major routes and better reliability than early adopters experienced. That said, provision can still feel patchy away from motorways and large towns, so it’s important to check your regular routes and nearby options before you commit.

2 Home charger

A home charger, paired with an off peak electricity tariff, can turn overnight charging into a low-cost routine. Look for a smart charger that schedules charging and balances load with other home appliances. The Government has announced plans to make it easier for those without private driveways to install cross pavement charging gullies, and is consulting on removing the planning permission currently needed to achieve this.

3 Organisation

Forethought is needed for long journeys. Depending on how far you’re travelling and the vehicle’s range, you’ll need to plan for charging stops. Look for ultra rapid sites for the quickest turnaround, but keep a Plan B in mind in case a site is busy, and use live status apps to check availability.

4 Tax

The tax landscape remains a major draw. Company car benefit in kind rates for EVs are comparatively low versus petrol and diesel, and salary sacrifice can be a compelling, tax efficient route for employees, although the Government has proposed to limit salary sacrifice contributions from 2029 to £5,000 (up from £2,000 announced in the 2025 Budget). Additionally, a charge is set to be levied against all electric vehicles on a per-mile basis from April 2028.

5 Pros

Environmental benefits aside, “fuel” costs per mile are lower (especially off peak), EVs have fewer moving parts and typically reduced servicing, plus access to clean air zones. If you have (or plan to install) solar panels, this can nudge running costs even lower, and smart energy management can align charging with your lifestyle.

6 Cons

EVs have higher upfront prices, and some models have potentially higher insurance. Charging downtime on long trips, range dips in cold weather, and the need to adapt habits must be considered, as well as bearing in mind that residual values and tariffs can move, too.

Is an EV right for you?

The direction of travel—technology, infrastructure, and incentives—is positive. If an EV fits your driving pattern and you’re prepared to plan smartly, the switch can be both financially astute and deeply satisfying. As part of your financial planning, an EV decision can be evaluated alongside your cash flow, tax position and long-term goals to ensure the choice is right for you.



The new Wills Bill: What could change and what it means for your estate plan

The current law on wills dates back to the Wills Act 1837, and in today's world of digital communication, longer life expectancy, and increasingly complex family structures, these long-standing rules can feel a bit out of step.

The new Wills Bill, published in May 2025, aims to make will-making easier, safer, and more reflective of modern life—while still protecting people from fraud and undue influence.

Below are some of the key proposals and what they could mean for you, your family and your estate planning.

What are the key changes in the Will Bill?

Digital wills

One of the most exciting changes is the legal recognition of electronic wills. Under the new rules, you will be able to create and sign your will electronically, as long as certain safeguards are in place.

This could benefit people who are housebound, live abroad, or simply prefer the convenience of digital tools. It also means your will can be stored securely online, making it easier for your loved ones to find when the time comes.

Of course, it is still important to get professional advice and ensure your will is properly drafted. But the process will become a lot more user-friendly.



Court “dispensing power”

Under current law, if your will doesn't meet every technical formality—if, for example, it's not signed in the right place or one of your witnesses forgets to sign—it could be declared invalid. A harsh outcome, especially if your wishes were clear.

The new Bill introduces a “dispensing power” to allow courts to recognise a will even if it doesn't meet all the formal requirements, as long as there's strong evidence it represents your true intentions.

This is a welcome safety net, meaning that small mistakes won't necessarily undo your entire estate plan. However, it is still best to get it right the first time and seek legal advice.



Minimum age to make a will reduced to 16

Currently, you have to be 18 to make a will (unless you're in the armed forces). The Wills Bill lowers the age to 16, giving young people more control over their affairs—especially important for those with significant assets or health concerns.

While most 16-year-olds won't be rushing to write a will, this change gives peace of mind to families dealing with serious illness or inheritance at a young age.

Marriage or civil partnership would not automatically revoke your will

Under the current law, getting married or entering a civil partnership automatically cancels any existing will you have—unless you specifically say otherwise. This catches many people off guard and can lead to unintended consequences.

The reform would abolish automatic revocation, and your will would remain valid after marriage unless you choose to change it. This is a sensible update that reflects modern relationships and addresses risks around “predatory marriages.”

It is sensible to review your will after any major life event—marriage, divorce, children, or a change in your financial situation.

Stronger protection against undue influence

Making a will should always be your decision. Sadly, there are cases where people are pressured or manipulated into changing their will—often by someone close to them.

The new Bill makes it easier for courts to challenge a will if there's evidence of undue influence. Courts will be able to infer that a will was made under pressure if there are reasonable grounds to suspect it.

This is a big step forward in protecting vulnerable people. It also means that professionals—such as solicitors and will-writers—will need to be extra careful in documenting that a will was made freely and independently.

Simplified mental capacity test

The reform simplifies the test to determine whether someone has the mental capacity to make or alter a will.

In the Wills Bill the historic *Banks v Goodfellow* approach is replaced by the Mental Capacity

Act 2005 test. This modern, well-understood standard will make it easier to assess capacity and reduce the risk of legal challenges.

What does this mean for your estate planning?

The proposed changes should make it easier to create a valid will, reduce the risk of technical errors, and offer better protection for your wishes.

But they also mean it's time to take a fresh look at your estate plan or make a plan if you don't already have one, particularly if your circumstances have changed. You should look to review your will now rather than waiting for the reform to ensure it reflects your wishes clearly and protects your intentions.

Like any legal change, it is important to understand what it means for you, while taking into account other factors, including your tax position and lifetime arrangements such as pension, protection, trusts and gifting strategy, ensuring they support the outcomes you want for you and your family. This is even more prudent in light of upcoming changes that will limit the scope of Inheritance Tax relief on business assets – as you may now need to specify how any liability will be paid and by who.

Welcome change

The Wills Bill is a welcome and long-overdue update and, while it hasn't yet been enacted, it will bring the process into the digital age, make it easier to express your wishes, and offer better protection for you and your loved ones.

If you are currently making or updating your will, you still need to follow existing law and formalities. Your solicitor can help with this.



Armstrong Watson's tax and financial planners can assist with estate planning. If you would like support in this area, please get in touch.

Call **0808 144 5575** or email help@armstrongwatson.co.uk to speak to a member of our team.

FIONA DURHAM
FINANCIAL PLANNING CONSULTANT

Meet the adviser – Jacob Proudfoot

FINANCIAL PLANNING CONSULTANT - HEXHAM

Describe a typical working day

I like to start my day with some exercise – a quick workout, a run, or out on the bike. I catch up on emails, look through my diary for the day, and take a quick look at the financial news to make sure I'm up to speed on anything that might affect clients.

Most of my meetings take place in the office, where clients prefer to come in for a chat. No two days look the same, which is one of the things I really enjoy about the role. I might start the morning with a farming family, reviewing their pensions and investments and making sure the plans we're putting in place support them today while also keeping their children in mind for the future. Later in the day, I could be meeting with a business owner who wants to ensure they're making the most of the profits they take from their business. I often work alongside my business services and tax colleagues so we can bring together all elements in a joined up way.



What do you enjoy most about providing financial advice?

For me, it comes down to helping people feel confident about their future. Money can feel overwhelming, and when clients tell me they finally feel clear, reassured and in control – that's incredibly rewarding.

I especially enjoy the multi generational nature of the work. Many of my clients are farmers or family business owners, and the plans we make aren't just about this year or next – they're about ensuring the business, land, or wealth they've built can be passed on securely to their children and grandchildren. Being part of those conversations, helping families achieve their goals and preserve their legacy, is a real privilege.



What's the best piece of advice anyone has ever given you?

"You're more blessed to give than to receive."

This is something I grew up hearing, and over time, it's shaped the way I try to approach life. For me, it's a reminder that the most meaningful moments often come from helping others – whether that's offering your time, lending a hand, or simply showing up for the people around you.

It's a principle that keeps you grounded, encourages kindness, and puts the focus on what really matters: the impact you have on others, not what you get in return. It's simple advice, but it's stuck with me and continues to guide how I try to live day to day.

When you're not supporting and advising clients, what do you enjoy doing in your spare time?

Most of my spare time is spent with my wife and our 18 month old daughter – whether that's a trip out together or enjoying the small everyday moments at home.

When I do get a bit of time to myself, you'll usually find me outdoors. I play tennis, enjoy running, and love getting out on my bike. This year, I've set myself the goal of completing as many of the Wainwrights as I can.



You're about to retire on an unlimited budget what's the first thing you'd do?

I'd take my whole family on a big holiday somewhere warm, relaxed and full of adventure. I love being in or on the water – whether that's snorkelling, water skiing or anything involving a board – so we'd go somewhere with clear blue water and a coastline we could explore every day.

It would be one of those rare opportunities where everyone can switch off, spend proper time together and make memories that we'll talk about for years. Having everyone together in one place, enjoying great weather, good food, and days filled with activities, feels like the perfect way to celebrate the start of retirement.

If there was one financial tip you could offer readers what would it be?

Start early and let the power of compound growth work in your favour. Even small contributions, made consistently, can have a huge impact over time – and the earlier you begin, the more freedom and flexibility you'll have in the future.



Dumfries
01387 955900

Wigton
01228 690200

Maryport
01900 812893

Cockermouth
01900 310440

Workington
01900 68311

Whitehaven
01946 590012

Kendal
01539 942030

Settle
01729 320960

Manchester
0161 2590260

Glasgow
0141 272 0000

Edinburgh
0131 255 0130

Carlisle
01228 690000

Newcastle
0191 434 0830

Hexham
01434 375550

Tees Valley/
North Yorkshire
01609 702000

Penrith
01768 222030

Leeds
0113 221 1300

Skipton
01756 620000

Call **0808 144 5575** to be put through to your local office
or email help@armstrongwatson.co.uk

**Building trust through long term relationships,
protecting individuals, their families and businesses**

www.armstrongwatson.co.uk



ArmstrongWatson®
Financial Planning & Wealth Management

...we're with you.

Armstrong Watson Financial Planning Limited is authorised and regulated by the Financial Conduct Authority. Armstrong Watson Financial Planning & Wealth Management is a trading style of Armstrong Watson Financial Planning. Firm reference number 542122. Registered as a limited company in England & Wales No. 7208672. Registered Office: James Watson House, Montgomery Way, Rosehill, Carlisle, CA1 2UU.