

# BARONSMEAD

<b>Transfer to spouse / civil partner</b>	<b>Tax implications for VCT shareholder (donor)</b>	<b>Maximum amount that can be transferred that will retain VCT tax reliefs</b>	<b>Tax implications for recipient who is a spouse / civil partner*</b>
Before death (as a gift)	None	No limit	Receives tax free income and capital gains on VCT shares. Any deferred capital gains are also transferred
After death (as a bequest)	1. VCT shares valued as part of the estate – but transfers to spouse normally not subject to inheritance tax. 2. Any deferred capital gains are extinguished on death.	Up to £200,000	Receives tax free income and capital gains on VCT shares.

\*who are living together

<b>Transfer to Non-spouse / civil partner</b>	<b>Tax implications for VCT shareholder (transferor)</b>	<b>Maximum amount that can be transferred that will retain VCT tax reliefs</b>	<b>Tax implications for recipient who is not a non-spouse / civil partner</b>
Before death (as a gift)	1. Transfer is treated as disposal and could lead to loss of initial VCT tax relief if transfer takes place before the minimum holding period has expired. 2. Any deferred capital gains are brought into charge in the tax year of disposal and could be subject to capital gains tax depending on the individual's personal circumstances. 3. If the transferor dies within 7 years of the transferring the shares, some or all of the value of the shares transferred could be included within the estate of the transferor.	Up to £200,000 per individual recipient	Receives tax free income and capital gains on VCT shares.  The recipient is not subject to any income or capital gains taxes on the receipt of these shares provided that are received as a gift.
After death (as a bequest)	VCT shares valued as part of the estate. Any deferred capital gains are extinguished on death.	Up to £200,000 per individual beneficiary	Receives tax free income and capital gains on VCT shares