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## Inheritance tax mitigation fund launches

Emma Ann Hughes | [FTAdviser](#) | Published Friday , September 30, 2011

*Tritax and Brooks Litchfield have launched a new asset-backed inheritance tax (IHT) fund.*

The fund is designed to provide 100 tax relief for individuals with assets of more than £325,000 after just two years, rather than the usual seven years.

The fund provides an income option at 3 per cent a year or pure capital growth (with total target returns at 4 per cent a year).

Colin Godfrey, partner of Tritax, said by investing in carefully selected, asset-backed qualifying trades, with stable, predictable income streams, the Wealth Preservation fund's conservative investment strategy should avoid the higher risk profile associated with speculative development schemes, or the short term volatility of equity-based or Aim-listed products.

He said the fund is targeting specific commercial property opportunities that offer the greatest opportunity for income and growth in the coming years including branded budget hotels, such as Holiday Inn and Novotel, healthcare facilities and data centres.

Mr Godfrey said the Wealth Preservation fund allows the investor to retain control of their wealth.

Unlike gifts or trusts, he said the fund allows money to be returned if desired.

To ensure liquidity throughout its lifetime, he said the fund will retain a cash reserve equivalent to 5 per cent of the fund's NAV.

Mr Godfrey said: "Our experience shows that many people are reluctant to hand over their investments permanently, regardless of their inheritance tax bill for fear of needing access to capital in later life i.e. to fund care costs, or for fear of their beneficiaries losing some, or all of their assets due to divorce or financial mismanagement.

"This fund allows investors to provide for the next generation, whilst retaining control of their wealth and, as importantly, is run by a team who have established a portfolio of £1.7bn in tax efficient property investments."



*i've got everything  
in hand to make  
the grade by 2013.*

