



Capital Gains Tax

Don't delay – use it today! Are you making use of your Capital Gains Tax allowance before the end of the year? At present you can make a gain of £10,100 each year without paying any tax and even on larger gains the tax rate is currently only 18%.

Latest MJB News

If you have had the privilege to be one of Keith Henderson's clients previously, you are no doubt aware that he retired at the beginning of December 2009. We miss him, but wish him well and although he is sad to lose contact with many of his clients we can confirm that he is enjoying retirement and the benefits that more time brings..... We hope you are being looked after by your new adviser whether it be Bryan Hodges, Mark Gordon, Jonathan Dawson or Mike Johnson-Cadwell and if they can be of assistance in any way please don't hesitate to contact us using one of the options below.

Retirement Age for Pensions

In April 2010 the minimum retirement age for taking pension benefits is rising from 50 to 55 years. If you are between these ages and you are considering taking pension benefits there are only a few months for you to act...

MJB Contact Details

If you are receiving this MJBrief on a half yearly basis you are entitled to have a Valuation of your policies or investments held with us. Regular monitoring of your finances has been shown to be beneficial.

If you haven't had a recent review or you are a new customer we would like to hear from you. Please contact us by

phone: 01243 771777
email: office@mjbpartnership.co.uk
website: www.mjbpartnership.co.uk
write to us at: 1a The Boardwalk, Northgate,
Chichester, West Sussex, PO19 1AR.

or pop in and see us at the office!



MJBrief

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Benefits of ISAs

The increase in the ISA allowance to £10,200 per annum seems to have been unnoticed by many so perhaps now is a good time to remind ourselves of the tax benefits of ISAs.

People aged 50 and over in the 09/10 tax year can immediately invest up to £10,200 and everyone else will have this allowance from 6th April 2010. If you have only used part or none of this allowance previously now is the time to plan ahead and make sure you can invest the maximum allowable.

- Income paid to you is tax free;
- There is no Capital Gains Tax on ISAs;
- Income does not have to be declared on a Tax Return and it does not affect age allowance.

ISAs don't have to be RISKY

ISAs can be invested in many different assets including Cash, although if you choose Cash you are limited to £5,100. You could also invest in low risk assets such as Gilts and Corporate Bonds which are good for providing income, as well as a wide range of cautious and managed funds which include Shares, Property and Overseas Investments.



We have several clients that have been using their ISA allowance (and previously their PEP allowance) annually for many years and have built up a substantial amount in this tax efficient wrapper. For example one of our clients has a portfolio in excess of £140,000 and received tax free income of over £7,000 last year.

Although ISAs are most beneficial if held for the longer term it is normally possible to access your money with a few days notice.



Congratulations to
Mrs L Mardment,
the winner of the
Sudoku and thanks
to all who entered



Choosing Your Life and Health Insurance

Whether you are choosing your LIFE COVER to protect your mortgage or your family it is important to consider which type of policy would be most suitable and cost effective....

Level Term: This provides a lump sum on death within the selected term of the policy eg.15yrs. Lump sum is level throughout the term.

Decreasing Term: Usually only suitable for repayment mortgages or loans as the lump sum on death decreases over the term.

Family Income Benefit: When the policyholder dies income is paid to the beneficiaries for the remainder of the selected term.

(The premiums for the above 3 types of cover can be guaranteed or reviewable and all benefits are normally tax free.)

Whole of Life: Pays out lump sum on the death of the policyholder. The policy can be maintained as long as required. Premiums are usually guaranteed for 10 yrs and reviewed 5 yearly after this. An investment element can be included.

Life Insurance is the first step most people take for their protection but HEALTH INSURANCE can be equally or even more important in some circumstances. You could have...

Income Protection/Permanent Health Insurance: This pays the selected income monthly to the policyholder in the event that they cannot work due to accident or disability. Income usually starts after the deferred period (1, 3 or 6 months) and continues until recovery or age 60/65.

Critical Illness Cover: Pays a lump sum if you are diagnosed with one of a large number of conditions that are covered eg. heart attack, cancer, stroke or paraplegia. This is often available to be included with the various life covers described above.

Accident, Sickness & Unemployment Cover (ASU): Normally selected to protect monthly mortgage payments in case of inability to work. Benefits are usually only paid for one year.

Private Medical Insurance: This is designed to pay for medical/dental treatment that is deemed necessary by your GP or Dentist. It is good for avoiding NHS queues and receiving treatment when it is required and in more comfortable surroundings.

Our aim is to help you identify your needs so please contact us on 01243 771777 for a discussion and a 'no obligation quotation'.



Time to consider Property Funds?

The world's tallest building was opened in Dubai recently to much fanfare even though the current economic climate may seem like the worst time possible to complete the project, but history tells us otherwise. Previous holders of this prestigious title have made a habit of being opened in troubled economic times. The Empire State Building opened in 1931, right in the middle of the great depression, the Willis Building in Chicago opened in 1974 just at the end of the oil crisis.

This is not coincidence. These projects commence when prosperity is high and demand and funding for the projects is available. However, what happens in the subsequent years may give us a good indication of what we can expect. When looking at property investments the current economic downturn leads to the following consequences:-

- Rising unemployment
- Falling demand for office space
- Falling property prices

Property markets recover because during the economic slowdown, building projects are put on hold or cancelled altogether. This leads to a drop in supply of commercial property space and provides potential from an investment point of view. Take a look at the City of London skyline and you'll notice a distinct lack of cranes due to contractors holding off on new developments and the concentration on the Olympic venues. Demand for office space will return as confidence returns to the market and unemployment figures start to drop.

This has already begun with an average 10% rise in property fund price in the last six months. We are not suggesting that clients put all of their savings and investments into property but it should be considered and a good offset to higher risk equity funds and lower risk gilt funds.

If you would like to hear more about this and the other investment recommendations we have, please feel free to give us a call on 01243 771777 to arrange a meeting to review your current investments.