

## Factsheet United Kingdom

Unit-linked life insurance on payment of single premium

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### General remarks

Duration	<ul style="list-style-type: none"><li>_ There is no minimum or maximum duration. The duration can be freely chosen (whole of life is common)</li></ul>
Investment	<ul style="list-style-type: none"><li>_ All permitted assets such as collective funds authorised for public sale or investments tracking an index or discretionary asset management mandates</li></ul>
Additional contributions	<ul style="list-style-type: none"><li>_ Possible at any time</li></ul>
Biometric risk	<ul style="list-style-type: none"><li>_ 1% death benefit</li></ul>
Remarks	<ul style="list-style-type: none"><li>_ Free choice of asset manager and depositary bank</li><li>_ Insurance benefit part of estate (for UK Dom's and Deemed Dom's)</li><li>_ Wealth planning during your lifetime and succession planning</li><li>_ Generally no beneficiaries appointed</li></ul>

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### Tax treatment

Insurance tax	<ul style="list-style-type: none"><li>_ None</li></ul>
Taxes during period of insurance	<ul style="list-style-type: none"><li>_ No income tax</li><li>_ No capital gains tax</li><li>_ No wealth tax</li></ul>
Survival (capital life insurance)	<ul style="list-style-type: none"><li>_ Accrued net gains are taxed at the personal income tax rate of up to 45%</li></ul>

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**Tax treatment**


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Survival – lump sum option (annuity insurance)	_ Annuity insurance not offered												
Survival – pension coverage (annuity insurance)	_ Annuity insurance not offered												
Surrender	_ See survival (capital life insurance)												
Partial surrender	_ See survival (capital life insurance) _ Regular withdrawals of up to 5% per year of the initial investment can be made tax-free for max. 20 years												
Income taxes on death	_ See survival (capital life insurance)												
Inheritance taxes on death	_ Inheritance tax payable: spouses are exempt _ Tax exempt amount of up to £ 325,000 (children can receive this amount from both parents) _ The tax is a flat-rate 40% irrespective of amount or degree of relationship												
Gift tax	_ Gifts are in principle not taxed _ Gifts made within 7 years of the date of death are subject to inheritance tax as follows (PET rules): <table border="0" style="margin-left: 20px;"> <tr> <td>&gt; 7 years</td> <td>: no tax payable</td> </tr> <tr> <td>6 – 7 years</td> <td>: reduction of 80%</td> </tr> <tr> <td>5 – 6 years</td> <td>: reduction of 60%</td> </tr> <tr> <td>4 – 5 years</td> <td>: reduction of 40%</td> </tr> <tr> <td>3 – 4 years</td> <td>: reduction of 20%</td> </tr> <tr> <td>&lt; 3 years</td> <td>: no reduction</td> </tr> </table>	> 7 years	: no tax payable	6 – 7 years	: reduction of 80%	5 – 6 years	: reduction of 60%	4 – 5 years	: reduction of 40%	3 – 4 years	: reduction of 20%	< 3 years	: no reduction
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