

Adviser Quick-Reference

Is EIS Right for Your Client?

Four scenarios where EIS should be explored — ascension.vc

Each is an independent reason to explore EIS. Many clients will have more than one.

High income with a tapered pension?

Adjusted income over £260,000 — pension allowance shrinking to £10,000 floor

THE PENSION TRAP

EIS as a synthetic pension. 30% relief, tax-free growth, 100% IHT relief via BPR.

£50k invested → £15k relief → £35k effective cost[Calculator & One-Pager →](#)

A business sale, property exit, or large capital gain?

Any disposal with CGT exposure — especially where BADR (£1m cap) is used

THE BUSINESS EXIT

CGT deferral (unlimited) + 30% income relief. Hold to death = 0% combined rate.

£1m EIS → £540k total tax benefit[Calculator & One-Pager →](#)

An estate that will face Inheritance Tax?

Including pensions — from April 2027, pensions in IHT estate (up to 67% rate)

THE ESTATE SHIELD

100% BPR within £2.5m cap = zero IHT. Pension drawdown to EIS: 3x more to heirs.

£500k pension: £165k vs £506k+ to heirs[Calculator & One-Pager →](#)

AIM shares held for IHT relief?

From April 2026, AIM BPR drops from 100% to 50% overnight

THE AIM MIGRATION

Upgrade from 50% to 100% BPR. Defer CGT on disposal. 30% income relief.

£1m AIM: £200k IHT → £0 IHT via EIS[Calculator & One-Pager →](#)

Time-sensitive: BPR cap and AIM reduction take effect April 2026. Pension IHT from April 2027. Anti-forestalling rules already apply to transfers since 30 October 2024.

Most clients will have more than one trigger. A client selling a business with a large estate benefits from CGT deferral AND estate protection. The “hold to death” strategy eliminates both taxes simultaneously.

Each scenario has: [One-Pager PDF](#) · [Interactive Calculator](#) · [Suitability Report Template](#)ascension.vc/advisors/eis-toolkit