# Expert Advice Essential for Effective Estate Planning and Tax Compliance



A 56-year-old man with two adult sons and his wife are considering estate planning, specifically drafting a will and establishing lasting powers of attorney (LPAs). Estate planning can seem daunting due to potential expenses. Philip Sillars, a solicitor at Winckworth Sherwood, suggests that discussing financial matters with family can provide invaluable guidance if they need to act on one's behalf.

In England and Wales, LPAs cover health and welfare, and property and financial affairs. Although the government provides guidance for creating LPAs, the process can be complex and prone to errors. Consulting experienced practitioners may increase success rates and tailor arrangements appropriately. Similarly, while low-cost will drafting options exist, they carry risks such as tax miscalculations, improper signing, and unintended consequences.

Separately, a couple selling a holiday home in Italy for over €1 million must consider tax implications in both Italy and the UK. Stephen Barratt of James Cowper Kreston notes that UK tax residents must report any rental income and capital gains to HMRC. The UK-Italy tax agreement allows for offsetting taxes paid in Italy against UK liabilities. This ensures compliance and avoids double taxation.

In summary, professional legal advice can prevent errors and ensure proper estate planning and tax compliance, especially in complex situations involving significant assets.