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# THE PERSONAL TAX PLANNING REVIEW

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## P T P R

Volume 11, Issue 3, 2007

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# EDITORIAL

The issue is being collated in the days that follow Alistair Darling's first Pre-Budget Report which has all the hallmarks of having been cobbled together on the back of an envelope. Have lessons been learnt since the inheritance tax changes were announced in Budget 2006? It is with hope (not necessarily borne by experience) that the fact that nearly six months remain before the publication of the Finance Bill, any legislation resulting from the changes will be more considered.

One of the areas highlighted for reform is the interaction of the settlements provisions and independent taxation following the Government's defeat in the House of Lords in the *Arctic Systems* case (*Jones v Garnett*). The conclusions of the House of Lords are fully analysed in the opening article of the issue, written by the Consulting Editor, Robert Venables QC.

Following are two articles by Keith Gordon. The first looks at the revised wording of the legislation that deals with transfers of assets between spouses following its extension to civil partners. The article considers whether or not there has been any change in the law in situations in which transfers are made after (but during the same tax year as) a couple separates.

The next article highlights a potential pitfall in cases where homeowners build a new residence in their garden into which they subsequently move.

The fourth article in this issue also concerns main residence relief. Written by planning barrister, Ximena Montes Manzano, the article considers the meaning of 'curtilage' for the purposes of the relief.

Finally, Ralph Ray provides a summary of a recent Key Haven conference 'Tax planning through trusts'.

Robert Venables QC

Peter Vaines

Keith Gordon

October 2007