Case Study: VCT, Pensions and ISA

Boost the tax efficiency of your portfolio by combining the benefits of VCT, Pension and ISA

Mr Denton’s Pension contributions are capped at £10,000 p.a. though he has £100,000 to invest

Combining the benefits of VCT, Pension and ISA to boost the tax efficiency of your portfolio

Mr Denton, an additional rate taxpayer, wishes to maximise the tax-efficiency of his portfolio for retirement planning

£

VCT Investment	Non-VCT Investment
£100,000 VCT investment	£10,000 invested into pension
£30,000 tax relief	£4,500 relief (pension)
£30k (tax relief from VCT): £10k reinvested into pension £20k reinvested into ISA	£20,000 into ISAs and £70,000 into a GIA
£4,500 relief (pension)	£0 relief
£34,500 total tax relief	£4,500 relief (pension)

Capital invested is at risk. Tax treatment is subject to change and depends on individual circumstances. Tax year 2025/26.

For further information, please contact your Business Development Manager or the Sales Team

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Important Information

This document has been approved by Foresight Group LLP ("Foresight") as a financial promotion for the purpose of Section 21 of the Financial Services and Markets Act 2000 ("FSMA"). Foresight Group LLP is authorised and regulated by the Financial Conduct Authority, under firm reference number 198020. This document should only be read in conjunction with the Foresight Guide to VCTs for the Tax Year 2025/26.

The opportunities described in this document are NOT suitable for all investors. Key risks are explained in the Information Memoranda/Investor Guides and should be carefully considered before submitting an application to invest.

Foresight cannot provide legal, tax, financial or investment advice. Foresight has taken all reasonable care to ensure that all the facts stated in this document are true and accurate in all material respects. Assumptions, estimates and opinions contained in this document constitute our judgment as of the date of the document and are subject to change without notice. Any forward-looking statements or projections are based on a number or assumptions as to market conditions and there can be no guarantee that any projected results will be achieved.

Tax reliefs are dependent on the VCT maintaining its qualifying status and on investors' individual circumstances. If a VCT loses its qualifying status, tax advantages will be withdrawn from that point. VCTs usually trade at a discount to their net asset value. It may be difficult to exit VCTs and they should be considered as long-term investments.

Investments will be made in small unquoted companies, which carry a higher risk than many other forms of investment. The VCT investments are likely to be illiquid and difficult to realise. The value of shares and income from them may go down as well as up, and past performance is not a reliable indicator of future performance and may not be repeated. Your capital is at risk and you may lose all the money you invest.

If you are in any doubt about the content of this document and/or what action you should take, you should seek advice from an independent financial adviser authorised under FSMA who specialises in advising on opportunities of this type.