



IPM Draper Financial Brokers
 Stephen Street, Sligo, F91 V2XR
 T: +353 (0) 71 9143742
 E: adrian@ipmdraper.ie

Do you need Business Insurance?

Partnership		
Purpose	Arrangement	Taxation
Remaining partners buy back the share in the partnership from the partner's personal representatives on his/ her death or from the partner who suffers a serious illness.	Own Life in Trust	<ul style="list-style-type: none"> • Proceeds are tax-free to the extent that they are used to buy the deceased's share or that of the partner who has suffered a serious illness, and certain Revenue guidelines are met. • Any surplus amount may be liable to Capital Acquisitions Tax. • Premiums paid by partners themselves - no tax relief.
	Life of Another	<ul style="list-style-type: none"> • Each partner receives proceeds of the policy on which he/she pays premiums, so no liability to Capital Acquisitions Tax. • Premiums paid by partners themselves - no tax relief.
	Self-Insurance to cover the element of Goodwill	<ul style="list-style-type: none"> • Normal Inheritance Tax rules apply. • Premiums paid by partners themselves - tax relief may be available if effected via a Section 785 policy.

Co-Director		
Purpose	Arrangement	Taxation
Remaining directors buy back shares in the company from the director's personal representatives on his/ her death or from the director who suffers a serious illness.	Own Life in Trust	<ul style="list-style-type: none"> • Proceeds are tax-free to the extent that they are used to buy the deceased's shares, or those of the director who has suffered a serious illness, and certain Revenue guidelines are met. • Any surplus amount may be liable to Capital Acquisitions Tax. • Premiums paid by directors themselves - no tax relief.
	Life of Another	<ul style="list-style-type: none"> • Each partner receives proceeds of the policy on which he/she pays premiums, so no liability to Capital Acquisitions Tax. • Premiums paid by partners themselves - no tax relief.

Corporate Co-Director		
Purpose	Arrangement	Taxation
Company buys back shares in the company from the director's personal representatives on his/her death or from the director who suffers a serious illness.	Life of Another (Company is policy owner, director is life insured.)	<ul style="list-style-type: none"> • The premiums are not admissible tax deductions. • Proceeds are tax-free. • The tax treatment of the buy back of the company's own shares requires careful consideration.

Keyperson		
Purpose	Arrangement	Taxation
Company insures life of key employee to protect against financial consequences of his/her death or of his/her suffering a serious illness.	Life of Another (Company is policy owner, key employee is life insured.)	<ul style="list-style-type: none"> • Premiums may be allowable deductions for tax purposes with the proceeds then being liable to tax subject to certain Revenue conditions. If premiums are not allowable, the proceeds would not be liable to tax. • Note however, that just because tax relief is not sought on premiums it does not automatically follow that proceeds will be tax-free.



IPM Draper Financial Brokers
Stephen Street, Sligo, F91 V2XR
T: +353 (0) 71 9143742
E: adrian@ipmdraper.ie

In any business, the death or serious illness of one of the individuals involved can have serious financial consequences for those left in the business.

Business Insurance can help. It protects a business against the financial consequences of the death or serious illness of somebody closely involved in the business.

What type of Business Insurance do you need?

The aim of Business Insurance will differ depending on the structure of your business and its key risks. Let us help you choose the right business protection solution.

The following is a brief description of the four product offerings:

- **Partnership Insurance** is designed for a partnership to protect against the risk of death or serious illness of a partner by providing a lump sum to assist the remaining partners to purchase his/her share of the business.
- **Co-Director Insurance and Corporate Co-Director Insurance** is designed for a company to protect against the risk of death or serious illness of a director/shareholder by providing a lump sum to assist the remaining directors or the company to purchase his/her share of the business.
- **Keyperson Insurance** designed for a business that needs to protect against the financial impact of losing a key employee of the business.

For more information, talk to Adrian McHale