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RDS FINANCIAL PLANNING

# 5 **financial lessons** to learn from Queen lyrics

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If you "open your eyes, look up to the skies and see…", you can find financial planning lessons in the most unexpected places.

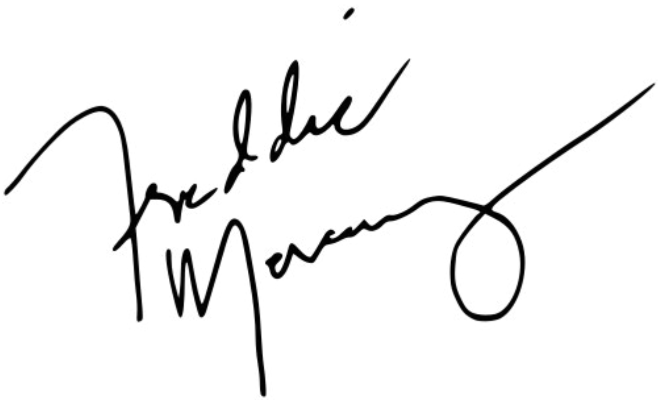
You've no doubt heard many of Queen's greatest hits countless times. You might have danced to 'Don't Stop Me Now' at weddings, sung along to 'Bohemian Rhapsody' in the car, or stomped your feet to 'We Will Rock You'.

What you probably didn't realise is that you were taking in some poignant lessons about how to approach your finances.

Rock music icon and the band's lead singer, Freddie Mercury, would have celebrated his 80th birthday on 5 September 2026. Mercury wrote the lyrics to many of Queen's most timeless songs – perhaps most notably, 'Bohemian Rhapsody', which has been streamed on Spotify (10 August 2026) approximately 3.23 billion times.

While it's unlikely that Mercury wrote songs with financial planning in mind, his lyrics still deliver some important pearls of wisdom.

In remembrance of his legendary contribution to music, this guide considers five financial lessons inspired by Queen lyrics.



## 1. 'Don't Stop Me Now': When is the "right" time to retire?

**DON'T STOP ME NOW [...] I'M HAVING SUCH A GOOD TIME, I'M HAVING A BALL**

Some people eagerly await the day they can stop working and enjoy their retirement. But this isn't always the case. Perhaps you really enjoy your work or still have goals left to achieve in your career.

Knowing when or how to retire may not be straightforward. There isn't a one-size-fits-all approach to retirement; it's about finding what works for you.

If you don't want a traditional "hard stop" retirement, consider one of the following approaches:

**Phased retirement:** This is when you reduce your hours in early retirement, allowing you to continue doing the work you love while also enjoying more leisure time. You might reduce your hours gradually, which can help you ease into retirement as you adjust to a new lifestyle.

**Delayed retirement:** Alternatively, you might continue working full-time for as long as it makes you happy. This may allow you to fully retire earlier than if you took a phased approach.


### DON'T MISS OUT ON YOUR "ACTIVE YEARS"

Typically, early retirement is when you enjoy your more active years. During this stage, retirees often spend more time travelling, enjoying hobbies, and socialising.

So, while you may be reluctant to stop working, it's important to ensure you can still spend time with loved ones, enjoy a slower pace of life, and pursue your hobbies and interests.

This is where a phased approach can be a good option, offering a balance between continuing to work and allowing for more free time.

## CONSIDER YOUR TAX LIABILITY IN RETIREMENT


Drawing from a larger pension pot over fewer years could help you enjoy a more comfortable retirement. Pensions UK (3 June 2026) estimates that a comfortable retirement could cost a couple £62,700 a year.

However, a higher drawdown rate could increase your tax bill.

As of 2026/27, you can usually take up to 25% of your pot as a tax-free lump sum. This is capped at the Lump Sum Allowance of £268,275.

The remaining 75% of your pot is typically charged Income Tax at your marginal rate. So, drawing a larger income over fewer years could mean your pension is taxed at a higher rate.

A financial planner can help you define a sustainable, tax-efficient retirement income to make the most of your pension pot.

Continuing to work could have significant financial benefits. By earning for longer, you could:

- Keep contributing to your pension
- Allow your pot to continue growing for longer
- Delay or reduce your pension withdrawals, saving your pot for later in life.

That said, while you may be thinking "don't stop me now", you need to balance your desire to keep working against allowing yourself to enjoy retirement. You may also consider how a larger pension pot and higher drawdown rate could impact your tax liabilities. A financial planner can help you create a framework that works for you, your loved ones, and your financial needs.

## 2. 'We Are the Champions': Preparing for life's twists and turns

You brought me fame and fortune
And everything that goes with it

I thank you all

But it's been no bed of roses

No pleasure cruise

You've worked hard to grow your wealth and achieve your goals. To paraphrase Mercury's lyrics: You've paid your dues, you've made mistakes, but you came through.

However, while you want to enjoy the life you've built, it's also important to prepare for the unexpected. There may be further twists and turns ahead, and you want to shield your finances to protect the life you've worked hard for.

**THE PROTECTION GAP**

Although 41% of UK adults believe they are financially protected, only 19% actually have sufficient cover.

**Source:** IFA Magazine (16 June 2026)

Without provisions in place, an unexpected illness, injury, or loss of a family member could leave you and your loved ones struggling to maintain the income you need.

Despite this, Which? (7 February 2026) reports that 60% of UK adults have no financial protection against illness, injury, and death.

Protection can be an invaluable safety net, giving you peace of mind that your finances will support you to "keep on fighting 'til the end".

## Types of protection to consider

A variety of financial protections can help to support you and your family in the event of illness, injury, or worse.

### Income protection

If you become unable to work due to illness or injury, income protection can help provide ongoing payments of around two-thirds of your usual income until you either retire or return to work.

### Critical illness cover

This type of cover can provide a one-off lump sum if you are diagnosed with a critical illness listed in the policy. While only specified illnesses are covered, you don't need to stop working to qualify for the tax-free payout.

### Life insurance

Life insurance usually pays out a tax-free lump sum when you die. This could support your loved ones to sustain their lifestyle after the loss of your income, repay a mortgage, or, in some cases, cover an Inheritance Tax (IHT) bill.

### FINDING THE RIGHT PROTECTION

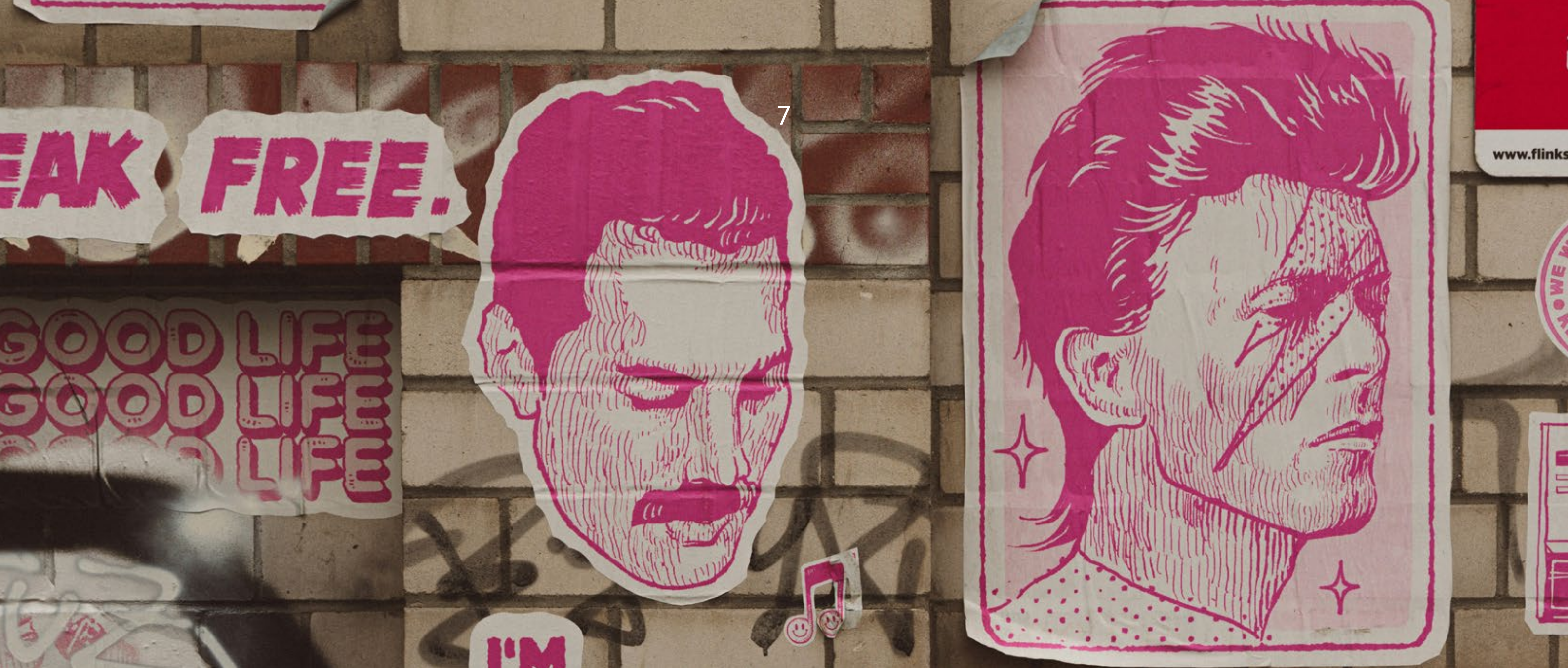
Simply having cover in place isn't necessarily enough to support your family. You need to have the right type and level of cover for your unique circumstances and needs.

Some employers offer protection as a benefit of employment. While such cover can be valuable, in many cases it can fall short of your needs. Rather than assuming you have adequate protection, it's worth reviewing your company-funded policy to determine whether additional cover might be necessary.

Your needs are likely to evolve throughout your lifetime. So, it's important to continuously review your protection to ensure it aligns with your current circumstances.

### Emergency fund

For events not covered by insurance, it's wise to have three to six months' expenses on hand in an emergency fund. For example, if you're made redundant, face an unexpected large expense, or are waiting to receive your insurance payout, having cash in an easy access savings account can help ensure you have access to the funds you need.




## 3. 'Under Pressure': Be aware of your growing tax liabilities

*PRESSURE PUSHIN' DOWN ON ME*

*PRESSIN' DOWN ON YOU*

With the UK's tax regime putting many people's finances under increasing pressure, your income may be feeling the squeeze – with a larger proportion going to HMRC.

In particular, fiscal drag is exposing many taxpayers to rising Income Tax bills. The thresholds that determine your Income Tax rate have been frozen at their current levels since 2021. Crucially, they aren't expected to rise until at least 2031.

In 2026/27, Income Tax rates are:

| Tax bracket | Income range | Tax rate |
|---|---|---|
| **Personal Allowance** | Up to £12,570 | 0% |
| **Basic rate** | £12,570 – £50,270 | 20% |
| **Higher rate** | £50,271 – £125,140 | 40% |
| **Additional rate** | Over £125,140 | 45% |

As earnings rise over time, many people are finding a larger portion of their earnings is liable for Income Tax, while some are being pushed into higher tax brackets.

By 2031, the Office for Budget Responsibility (26 November 2025) forecasts that 4.8 million more taxpayers will move into the higher-rate bracket compared with 2022 levels, while 600,000 more will pay the additional rate of Income Tax.


**REMEMBER:** Your salary isn't the only income that counts towards your Income Tax brackets. The following are also usually included in calculations:

- Non-ISA savings interest
- Dividends earned outside of an ISA
- Certain state benefits
- Most pension withdrawals
- Rental income

## Rising tax rates

Multiple tax rates have either increased recently or are expected to rise soon.

### Capital Gains Tax (CGT)

From October 2024, CGT rates increased from 10% to 18% for basic-rate taxpayers and from 20% to 24% for higher-rate taxpayers.

### Dividend Tax

The ordinary rate of Dividend Tax rose from 8.75% to 10.75% in April 2026, while the upper rate increased from 33.75% to 35.75%.

### Savings and property income

Earnings from savings or property are currently taxed at your marginal rate of Income Tax. From April 2027, they will be subject to an additional two percentage points of taxation.

### BE MINDFUL OF THE 60% TAX TRAP

It's not just the Income Tax thresholds you need to keep an eye on. You also need to be aware of the 60% tax trap.

For every £2 your annual income exceeds £100,000, you lose £1 of your Personal Allowance. Once you earn £125,140, your Personal Allowance disappears altogether.

This means earnings between these two thresholds are subject to an effective 60% tax.

What's more, if you have children below school age, you could also lose out on valuable childcare benefits.

If your total annual income is approaching six figures, speak to a financial planner for guidance on avoiding the 60% tax trap.

## 4. 'Bohemian Rhapsody': Plan how you'll pass on your estate

### GOODBYE, EVERYBODY, I'VE GOT TO GO

### GOTTA LEAVE YOU ALL BEHIND AND FACE THE TRUTH

While you may be focused on growing and enjoying your wealth, it's also important to plan for how you'll pass it on when you're gone.

Of course, a Will is a key component of estate planning. By clearly defining how you want your assets to be distributed, you can help ensure your loved ones are provided for and your wishes are honoured after you pass away.

Once you have a will in place, be sure to review and update it regularly to ensure it reflects your current wishes and circumstances. You might wish to check the following are up to date annually:

### Beneficiaries

Ensure relationship changes are accounted for, such as divorce, new friendships, or births.

### Assets

Include all your current assets and remove any that have left your estate. Accuracy can help avoid disputes and ambiguity when you're no longer here to explain your wishes.

### Distribution

Check that you're still happy with how your estate is divided. For example, if you have left your pension to one child and your home to another, it might be worth tracking their values and tax liabilities to ensure fair distribution.

#### THE NIL-RATE BANDS ARE FROZEN UNTIL 2031

As of 2026/27, the value of your estate exceeding the nil-rate band is usually charged IHT at 40%.
The nil-rate bands are frozen at the following levels until 2031:

- **Nil-rate band:** £325,000
- **Residence nil-rate band:** Up to £175,000 if you leave a primary residence to a direct descendant
- **Total:** Up to £500,000, or £1 million if your spouse or civil partner's unused nil-rate bands transfer to you on death.

With the nil-rate bands frozen and most pensions set to become subject to IHT from April 2027, the Office for Budget Responsibility (30 October 2024) forecasts that 9.5% of deaths will trigger an IHT bill in 2029/30 – up from 5.2% in 2023/24.

## 5. ‘You’re My Best Friend’: Work with someone you trust to build towards your goals

**IN RAIN OR SHINE, YOU’VE STOOD BY ME [...] YOU’RE MY BEST FRIEND**

We all need someone to have our backs through life’s twists and turns.

When it comes to your finances, you likely want guidance and support to come from someone you can trust. You want to feel confident that your adviser has your best interests at heart, that they care about your goals and are committed to safeguarding your wealth.

Financial planning isn’t just about numbers on a screen. A good financial planner will work closely with you to understand your short-, mid-, and long-term goals, as well as any other priorities, preferences, and concerns.

With a full understanding of your needs and aspirations, your financial planner will create a bespoke plan tailored to you. This commonly includes areas such as:

### TAX MITIGATION

Defining a strategy to boost your tax efficiency.

### INVESTMENT MANAGEMENT

Supporting you to grow your wealth through investing.

### RETIREMENT PLANNING

Establishing your goals and creating a plan to help you achieve them.

### PROTECTION PLANNING

Identifying suitable forms of protection for your needs.

### ESTATE PLANNING

Dividing your estate, while taking steps to help mitigate an IHT bill.

### CASHFLOW MODELLING

Forecasting your income, outgoings, and wealth accumulation to support decision-making and planning.

By considering all these areas of your finances together, a financial planner can help you make informed decisions about growth and tax efficiency.

Once you’re happy with your financial plan, your adviser will stay on hand as your life evolves – tweaking your plan as your circumstances, goals, and needs change. So, no matter what life throws your way, you can rest assured that your trusted financial plan will be by your side to support you.

## Are your finances ready for 'A Kind of Magic'? Get in touch

If these Queen lyrics have inspired you to take a fresh look at your finances, our financial planners could help you create "a kind of magic" by helping you take control of your money.

Whether you're an existing client and think your plan may be ready for a refresh, or you're looking to get started with financial planning for the first time, we can support you.

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**Please note: This guide is for general information only and does not constitute advice. The information is aimed at individuals only.**

**All information is correct at the time of writing (August 2026) and is subject to change in the future.**

**Please do not act based on anything you might read in this article. All contents are based on our understanding of HMRC legislation, which is subject to change.**

**The Financial Conduct Authority does not regulate estate planning, cashflow planning, tax planning, trusts, or will writing.**

**A pension is a long-term investment not normally accessible until 55 (57 from April 2028). The fund value may fluctuate and can go down, which would have an impact on the level of pension benefits available. Past performance is not a reliable indicator of future performance.**

**The tax implications of pension withdrawals will be based on your individual circumstances. Thresholds, percentage rates, and tax legislation may change in subsequent Finance Acts.**

**The value of your investments (and any income from them) can go down as well as up and you may not get back the full amount you invested. Past performance is not a reliable indicator of future performance.**

**Investments should be considered over the longer term and should fit in with your overall attitude to risk and financial circumstances.**

**Note that life insurance and financial protection plans typically have no cash in value at any time and cover will cease at the end of the term. If premiums stop, then cover will lapse.**

**Cover is subject to terms and conditions and may have exclusions. Definitions of illnesses vary from product provider and will be explained within the policy documentation.**

**The content in this article was correct on 26/08/2026.**