

Making a will and other related matters

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An overview of
the latest changes and
developments.



Making a will and other related matters

Making a Will is one of the most fundamental aspects of estate planning, yet many people do not appreciate its importance. It is an essential means of ensuring that your assets are distributed in accordance with your wishes. You will thus be assured that you have made proper provision for all those you feel should benefit. And you choose the executors and trustees who will carry out your wishes. Making a will is an opportunity to plan the distribution in a tax-efficient manner, particularly with regard to inheritance tax (IHT). A Will can also appoint guardians of infant children, besides making appropriate financial provision for them.

If you would like to discuss how we can assist you, please contact us on 01494 675321 or by email at info@rousepartners.co.uk



The intestacy rules

In the absence of a Will, for a family with children, the new intestacy rules provide for the surviving spouse (or civil partner):

- ▶ A statutory legacy of £250,000 (index linked)
- ▶ The personal chattels (whatever their value)
- ▶ One half of the residue of the estate outright

Any children are entitled to the other half of the residue in equal shares once they reach eighteen. If any children have already died, then their children will inherit in their parent's place.

If there are no children the surviving spouse receives the whole estate.

If there is no surviving spouse, the estate would be distributed amongst the children, or if there are no children, amongst the other relatives (there is a strict order of precedence). If there are no surviving relatives, the estate passes to the Crown!

Please note that different intestacy rules apply in Scotland - please contact us for further assistance.

Generation-skipping

If your children are sufficiently well provided for, you may consider providing for grandchildren, present and future.

This will ensure that property reaching the grandchildren will avoid at least one charge to IHT that would otherwise have arisen on the death of their parent(s).

Discretionary Will Trust

To preserve flexibility, you may consider leaving the decisions to trustees nominated by you. They can take into account the circumstances following your death, and allocate property in a fair and tax-efficient way.

The trustees will usually be guided by a (non-binding) letter of wishes.

Safe-keeping and review

Your signed Will should be lodged safely so that it can be readily retrieved after your death. All those who need to know should be told where it is.

It will also assist your executors greatly if you produce a data sheet, a simple summary of your financial affairs (see below).

You should review the contents of your Will regularly, particularly following significant tax changes or changes in your personal or family circumstances. You should also update your financial data sheet, preferably once a year.

Insurance policies

It is important that the proceeds of life policies should be written in trust for the benefit of named relatives rather than form part of your own estate.

Contents of financial data sheet

- ▶ Location of Will and other personal documents
- ▶ Funeral and other wishes
- ▶ Details of executors, solicitor, accountant, bankers, etc.
- ▶ Tax reference
- ▶ Details of main assets
- ▶ Details of mortgages and lenders
- ▶ Details of other liabilities
- ▶ Pension/insurance arrangements
- ▶ IHT history – gifts in the last seven years

How we can help

If you would like advice on making a Will and other related matters, please contact us on 01494 675321 or email at info@rousepartners.co.uk. We will be delighted to assist you.

Trusted advice, *imaginative solutions.*

It's the old adage that all accountants are the same, but ask yourself this; what kind of service would most add value to your personal or business position? In our opinion, the quality of advice and service is what separates a good accountant from a great one. This is where Rouse Partners can make a difference for you.

Our award-winning team make it their business to get to know you and your specific needs. Whether your goal is to grow your business, increase your personal wealth or improve your work-life balance, by understanding your challenges, we will address them together.

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At the heart of our way of working is a determination to think differently, to challenge the 'status quo' and to ask 'what if?'. Whether you are facing a complex tax, accounting or management situation, we are ready to find a solution.

Contact us today to discuss how we can support your personal or business tax needs:

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