



VESTED ESTATES  
LTD

# MAKING A WILL: KEY CONSIDERATIONS



## Why we should all make a Will, and what might happen if we don't!

A Will not only ensures that your estate is distributed according to your wishes. Without a Will your assets will be distributed according to the laws of Intestacy, which may well not be what you would have wanted. (For example, an unmarried partner has no entitlement under these rules!)

By putting a Will in place, you are also appointing Executors, which grants authority for them to deal with the estate administration. Without making such an appointment, the process becomes delayed, as no-one has the right to deal with the estate until an application for Letters of Administration is granted. This can mean that obtaining funds for immediate expenses such as the funeral can be difficult, and the entire process is more time consuming, arduous and potentially more costly.

Making a Will is essential in the following scenario's:

**Parents** – Appointing guardians to ensure that minor children are not exposed to the social care regime.

**Un-married Couples** – have no entitlement under the laws of Intestacy, so making a Will is vital if you want your partner to benefit.

**Property Owners** – The way in which you own your property has a major impact on your estate, so you need to be aware of the current ownership status and the options available.

**Ltd Company/Partnership and Sole Trader Owners** – Articles of Association, Shareholder Agreements and Partnership agreement, must be considered in line with your Will. For Sole traders it is essential to plan ahead as the business will end when you die, but your business assets will pass to the executors of your Will as part of your estate.

### Topic in Brief:

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Why Make a Will?

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Who needs a Will?

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What might happen without one?

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Key Roles in your Will

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Will Reviews

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Case Study

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## What happens if I don't have a Will?

There are many implications of not having a Will which can have a huge impact for your family:

- Your Estate will be subject to the laws of Intestacy, so those you want to benefit may not do so.
- Your loved ones will have to apply to the court to administrate the Estate
- You may pay more tax due to missing out on Inheritance Tax Reliefs

Your Assets cannot be protected without a Will:

One of the major considerations when making a Will is protecting your assets, be that your home, business, family heirlooms, and of course your family!

It is vital to decide who receives what assets, to make best use of reliefs available. For many it is also important when they receive it, to ensure it goes to best use. This can only be achieved through Estate Planning.



### Key Roles in your Will:

**Beneficiaries** - The people or organisations who will receive something from your Will

**Executor** - The person(s) you appoint to carry out your wishes as stated in your Will.

**Guardian** - The person(s) you appoint to look after your children if they are under the age of 18 at the time of your death.

**Trustee** - A person(s) who is appointed by you to look after assets on behalf of certain beneficiaries (usually children)



### Will Reviews

As part of our commitment to Gold Standard Estate Planning:

**We offer a complementary Will Review service.**

We don't believe that planning your estate is as simple as drafting a few documents, it is an ongoing process - people move, get married or divorced, children are born and people pass on. Estate Planning is a lifelong journey, and want to ensure your planning remains effective.



## Intestacy: A disaster for unmarried couples, and a potential “tax trap” even for spouses.

In this example we look at the effect failing to make a Will could make on unmarried couples.

John and Claire, have been living together for 15 years but never married. They own a house together as tenants in common and have a joint bank account.

Unfortunately, John dies suddenly without a will. Under the rules of intestacy, Claire is entitled to nothing because they weren't married.

John's estate, including his half of the house and any savings in his name, would go to his closest living relatives—his parents. This could mean Claire loses the home she shared with John unless she can afford to buy out his parents' share.

Had John made a Will directing his share of the house to Claire, then this would not have been the case and Claire would not have lost her house.

It is important to note that even for married couples the laws of Intestacy do not leave everything to your spouse as many believe to be the case!

Only the first £322,000 of your estate passes to the spouse, and the rest would be split in equal shares between any children - a situation which can trigger an Inheritance Tax liability for larger estates.

Making a Will ensures that your estate is distributed as you would wish and can ensure that the least Inheritance Tax possible is paid.

*Thank you for reading!*

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