



WILLS, PROBATE, TAX & TRUSTS



REVIEWING YOUR WILL WHEN PURCHASING A PROPERTY

The purchase of a new property can be an exciting (and stressful!) time. It is also an important time for you to make a new Will, or to consider updating your current Will as you are completing one of the largest purchases of your life. So how does Property pass upon death?

Ownership

How it passes?

Property owned in your sole name

Will pass under your Will, or if you have no Will under the intestacy rules

Property owned in joint names as joint tenants

Will pass to the surviving joint owner (irrespective of what your Will says)

Property owned in joint names as tenants in common

Your share will pass under your Will, or if you have no Will under the intestacy rules

Property ownership set out in a declaration of trust

This normally will include specific details of what should happen to your share upon death, but it is important to check this.

Your Will enables you to choose who should inherit your property. It can also save complications (and therefore costs) in dealing with the administration of the estate.

If you do not make a Will you die “intestate”. Your estate will pass in accordance with the “Rules of Intestacy” which may not be to the people that you would like to inherit. This is particularly important for people who are cohabiting, as your partner would not automatically be entitled to receive anything from your estate.

Your Will is an important legal document and we would suggest that you use a Solicitor to make your Will – a homemade Will can contain mistakes or create trusts that you did not intend and could be expensive to rectify after you die!



When making a Will some of the things that you should consider are:-

- Who you would like to administer your estate when you die – these are your Executors.
- If you have children who would you like to look after them when you die – these are Guardians.
- What do you have to give away – do you want to include gifts of specific items (referred to as personal chattels) or amounts of money in your Will.
- Who do you want to inherit everything else that you own when you die – this is called the residue of your estate.
- Do you have any specific funeral wishes that you would like to include within your Will?

The current Inheritance Tax (IHT) threshold (or nil rate band) for each individual is £325,000. For married couples and civil partners this may be increased on the second death by up to 100% (this is Transferable Nil Rate Band) which based on the current IHT threshold is £650,000. A Solicitor can provide you with advice as to IHT planning. If you have a potential IHT liability in your estate you may require a “flexible will” to be drafted to help reduce the tax.

The Next Step

Making a Will in most cases is a straightforward process. We will meet with you to discuss your instructions and provide you with guidance and advice. We aim to provide a friendly and efficient service. Remember, if you have recently purchased a property with Thursfields you should have received a discount certificate against the cost of making your Will with us.

Thursfields has a number of client guides which address these and other wills and probate issues in more detail. *Please visit Thursfields LLP's website for more details.*

Phone **Thursfields** today to make an appointment to discuss these matters as they affect you or your family.

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