



Why make a Will?

July 2019

It is important to have a Will for a number of reasons and in particular because it allows you to:

1. Choose the beneficiaries of your estate

Without a Will, inadequate provision may be made from your estate for your intended beneficiaries under the intestacy rules (as set out in the Appendix to this note). Although it is often assumed that a spouse or civil partner will inherit everything in the absence of a Will, this is not the case where there are other surviving close relatives. In addition, a co-habitee will not benefit under the intestacy rules at all (even if he or she is a long-term partner); nor will charities.

2. Minimise inheritance tax

Everyone has an inheritance tax (IHT) nil-rate band and assets falling within this band may be left tax-free on death. In addition, gifts to particular people (eg spouses) and gifts of certain types of assets (eg business property) may qualify for IHT relief. By making a Will you can arrange the distribution of your estate to maximise the benefit of any applicable exemptions and reliefs.

3. Select your executors

Your executors have a vital role in the administration of your estate. In addition, they may act as trustees where assets are left on trust. By making a Will you have the opportunity to select the most appropriate people to fulfil these tasks.

4. Appoint guardians for your children

If you have children under 18 it is advisable to appoint guardians for them should both you and their other parent die while they are still young. Such an appointment may easily be made in a Will.

5. Make appropriate provision for your children

Under the intestacy rules, minor children receive their share of the estate at the age of 18 (or if earlier, their marriage). However, a Will allows you to tailor a gift to the needs of the child. This could include deferring the age of entitlement, specifying different ages for receipt of income and capital rights, or providing that the assets should ultimately be held in trust for the next generation.

6. Empower your trustees

Without powers specifically granted by Will, your trustees will have to rely on laws some of which date back to 1925. These may not give the trustees sufficient flexibility to deal with the assets in the best interests of your beneficiaries.

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If you require further information on anything covered in this briefing, please contact a member of our Private Client Team or your usual contact at the firm on 020 3375 7000. Further information can also be found on the [Private Wealth](#) page on our website.

7. Protect your estate

You can protect your estate from potential claims in the event of a beneficiary's bankruptcy or divorce, or if he or she requires paid care, by providing in your Will for his or her inheritance to be held in trust. A trust may also be appropriate if you wish assets to pass down to particular people after the death of the initial beneficiary.

8. Make provision for your funeral arrangements

Some people may have particular wishes as to their funeral and making a Will provides a good opportunity to record these.

9. Minimise administration costs and delay

Making a Will avoids the expense and delay which may result from an application of the intestacy rules.

10. Review of Will

Finally, once you have made a Will it is important that it is reviewed regularly to take account of changes in your circumstances or in tax law. Remember, in particular, that marriage or civil partnership can automatically revoke a Will and divorce may also affect how a Will operates.

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APPENDIX: SUMMARY OF INTESTACY RULES

| <u>Surviving Relatives</u> | <u>Distribution of Estate</u> |
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| 1. Spouse/civil partner and direct descendants ("issue") | Spouse/civil partner takes: 1. personal chattels; 2. £250,000; and 3. half the rest of the estate. The issue take the other half of the remainder of the estate. |
| 2. Spouse/civil partner (but no issue) | All to spouse/civil partner |
| 3. Issue (but no spouse/civil partner) | All to issue |
| 4. Parents (but no spouse/civil partner/issue) | All to parents |
| 5. Brothers and sisters (or their issue) (but no spouse/civil partner/issue/parents) | All to brothers and sisters (or issue of predeceased brothers and sisters) |

This publication is a general summary of the law. It should not replace legal advice tailored to your specific circumstances.
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