

**POINTS FOR AN INDIVIDUAL TO CONSIDER WHEN REVIEWING THEIR WILL  
(TAX YEAR 2019/2020)**

Please note that the general points made below need to be considered carefully in the light of changes brought about by the Finance Act 2006.

**Your Will**

1. Marriage or entering into a civil partnership will automatically revoke your existing Will.
2. Are the beneficiaries to inherit absolutely for them to deal with as they please or should their entitlement be placed in trust to ensure that the capital passes to their children (or other designated beneficiaries) on their death?
3. At what age should minor beneficiaries become entitled to capital – 18 or older?
4. Does your will make adequate provision for the distribution of your jewellery, furniture and effects?
5. Should beneficiaries receive fixed cash sums or percentage shares of your estate?
6. Is it necessary to protect the inheritance of a beneficiary because of their own disability or the risk of claims by creditors or a divorcing spouse/civil partner?
7. Who are to act as your Executors to carry out the terms of your Will?
8. Do you want to be buried or cremated?

**Inheritance Tax Planning**

1. *Lifetime Gifts*
  - (a) Are you utilising all available exemptions?
  - (b) Have you arranged for life policies, pension plans and death in service benefits to pass outside of your estate?
  - (c) If you are faced with a prospective charge to Inheritance Tax, and can afford to make a gift, that gift will escape any charge to Inheritance Tax under current

legislation provided you survive that gift by 7 years. You can determine whether or not the gifts are to be absolute or in trust for the donees.

2. *Will*

You can state in your Will whether or not legacies are to bear their share of any Inheritance Tax liability or if the tax is to be paid out of the residue of your estate.

In your Will you can give assets to the children of an intended beneficiary (i.e. "skip a generation") to assist with Inheritance Tax planning for that beneficiary.

As from 6<sup>th</sup> April 2017 a new element known as the residence nil rate band can be claimed. This is, however, not available to everyone. It must be reviewed on an individual basis.

3. *Post Death Variations*

Within 2 years of death, a beneficiary can redirect an inheritance to a third party and elect to have the redirected inheritance treated as though it came direct from the Deceased, thereby avoiding the usual requirement for a donor to survive such a gift by 7 years in order for it to escape any charge to Inheritance Tax.

4. (a) Gifts to recognised Charities by way of lifetime gifts or under Wills or post death variations are usually completely exempt from Inheritance Tax without limit.

(b) Since 6 April 2012 any estate which leaves at least 10% to a charitable cause will be able to take advantage of a reduced rate in Inheritance Tax, from its current level of 40% down to 36%.

5. Properly structured gifts/legacies of farmland, business interests and shares in unquoted trading companies can qualify for generous reliefs from Inheritance Tax.

### **Living Wills/Advance Directives**

In what circumstances, if any, would you not want to receive any further medical treatment?

From October 2007, the Mental Capacity Act 2005 gives clear legal status to advance medical decisions, which means health professionals will now have to follow them provided they are valid and applicable to the specified treatment.

### **Lasting Powers of Attorney (LPAs)**

Who would you want to manage your property and finances should you become physically or mentally incapable of managing them yourself during your lifetime?

Would you want to place any restriction on what your attorney(s) can deal with or when the attorney's powers should come into operation?

Do you want someone to be able to make welfare and health care decisions on your behalf when you lack mental capacity to do so yourself?

An LPA can address these issues.

## **FURTHER ADVICE**

The above information is a general summary of important areas to consider. Please note that Godwins Solicitors LLP has not undertaken a review of your Will, so such information should not be construed as legal advice and is not a statement of the law. Godwins Solicitors LLP does not accept responsibility for any action which you may take as a result of the information provided above and we strongly recommend that you obtain specific professional advice, relating to your individual circumstances, before you take any action.

We would be pleased to advise further. If any of the above points are relevant to you then please contact either:

**FIONA LEESON, ANDREW NEAL, FIONA FOX, ALAN COWGILL,  
AMANDA HAYMAN, SELENA COLERIDGE or EMMA DEAN**

of

Godwins Solicitors LLP, 12 St Thomas Street, Winchester, Hampshire SO23 9HF  
Telephone: 01962 841484 or Fax: 01962 841554

Email: [fiona.leeson@godwins-law.co.uk](mailto:fiona.leeson@godwins-law.co.uk)  
[andrew.neal@godwins-law.co.uk](mailto:andrew.neal@godwins-law.co.uk)  
[fiona.fox@godwins-law.co.uk](mailto:fiona.fox@godwins-law.co.uk)  
[alan.cowgill@godwins-law.co.uk](mailto:alan.cowgill@godwins-law.co.uk)  
[amanda.hayman@godwins-law.co.uk](mailto:amanda.hayman@godwins-law.co.uk)  
[selena.coleridge@godwins-law.co.uk](mailto:selena.coleridge@godwins-law.co.uk)  
[emma.dean@godwins-law.co.uk](mailto:emma.dean@godwins-law.co.uk)

Home visits can be arranged. We give an indication of costs on our website for certain types of work and will confirm a cost estimate with you following our initial consultation.