

Why Do I Need a Will?

A common misconception is that you do not need a will because your spouse will inherit everything. This isn't correct....if you die without a will your wife will get:

- All your personal chattels
- £125,000
- A life interest in half of the rest.

The children will receive the other half. The main problem with this is that if the house is in your name then your spouse will not be guaranteed a roof over their head.

It is important that you ask yourself the following questions to make sure that your estate is distributed exactly as you want:

1. Do I have a will?
2. When did I last update my will?
3. Have I had any children since I last updated my will who should be included?

If any one of these questions is not answered satisfactorily then you should take action. If the answer to question 1 is "no" then you should also ask yourself the following:

1. Who will administer my estate? (this is usually your spouse and a professional person to provide support)
2. Do I have business assets that qualify for 100% relief from inheritance tax? (these should be specifically gifted to minimize any inheritance tax liability)
3. Do I have a shareholders agreement for my business? (this will enable surviving shareholders to purchase your shares for cash which may benefit both your spouse and the business).

If you need any help with your will and the relevant tax planning then please contact us.

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