

WHAT OUR CLIENTS HAD TO SAY

"Friendly exact explanations on all legal aspects, helpful throughout and always with a smile" Mr & Mrs C, Westbury

"Very understanding. I'd recommend Emma Taylor for all later life matters"
Mrs W, Chippenham

"We liked Phillip's quiet efficiency, his understanding and knowledge of the subject"
R & L Bunnett, Corsham



HAVE YOU BEEN PUTTING OFF UPDATING YOUR WILL?

Get in touch today.



ARE YOU AWARE OF THE INTESTACY RULES?

Speak to your lawyer for more information.

OUR OFFICES

CALNE

The Strand, Calne
Wiltshire, SN11 0JU
Tel: 01249 812086

CHIPPENHAM HIGH STREET

Mill House, 1 New Road
Chippenham
Wiltshire, SN15 1EJ
Tel: 01249 444499

CHIPPENHAM, GREENWAYS

Unit 5,
Greenways Business Park
Bellinger Close, Chippenham
Wiltshire, SN15 1BN
Tel: 01249 475880

CORSHAM

23 Pickwick Road,
Corsham,
Wiltshire, SN13 9BH
Tel: 01249 712193

DEVIZES

Ramsbury House
30 Market Place, Devizes
Wiltshire, SN10 1JG
Tel: 01380 726913

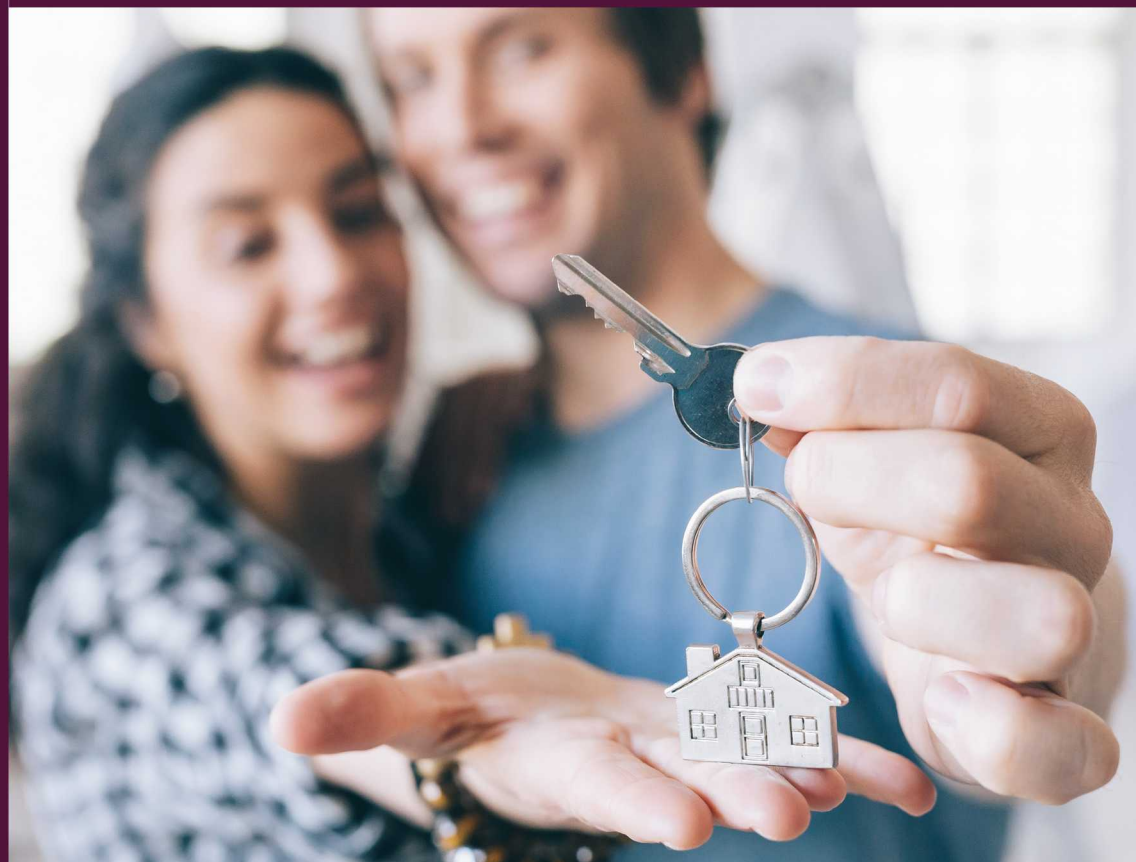
MELKSHAM

5 Bath Road, Melksham
Wiltshire, SN12 6LN
Tel: 01225 703036

TROWBRIDGE

2 Fore Street, Trowbridge
Wiltshire, BA14 8HX
Tel: 01225 762683

The Inheritance Tax & Estate Planning Series



PROPERTY TRUST

For many couples their property is their main asset and the one they wish to protect for their children or beneficiaries to inherit.

A common concern is how to protect children from losing their inheritance, if the surviving spouse or partner remarries or enters into a new relationship and chooses to benefit others.

Another common concern is Care Home costs and how to protect your children's inheritance from being taken into account should the surviving spouse or partner need care in the future.



Property Ownership

Most couples will own their property jointly and many will own it as what is called "Joint Tenants". This means that on the death of the first person to die the property will automatically pass to the survivor. The survivor is then free to pass the entire property on to whomever they choose and the entire property will be taken into account if the surviving spouse or partner requires care in the future.

By changing the ownership of the property to what is known as "Tenants in Common" more planning options become available as each party can then give their share of the property to whomever they wish on their death rather than it passing automatically to the survivor.



Gift to Children

Some people consider leaving their share of the property to their children outright in their Wills. This would usually be against our advice as it would leave the surviving spouse or partner in a vulnerable position. One option however, would be to create a trust to provide the surviving spouse or partner with some protection.

Property Trust

You can set up a property trust within your Will to ring fence the capital of the property. This means that on the first death the deceased's share of the property passes into a trust for the children (or other beneficiaries) but with certain provisos in favour of the surviving spouse or partner. These can include:

- A right for the surviving spouse or partner to live in that particular property;
- The right for the surviving spouse or partner to sell that property and use the proceeds of the trust to purchase, or assist in the purchase of another property;
- The right for the surviving spouse or partner to receive the income from any surplus funds generated on the sale of the property;
- The right for the surviving spouse or partner to request that capital monies be released from the Trust in their favour.

If you wish you can also add wording to say that the rights of the surviving spouse or partner end if they remarry, enter into a new civil partnership or co-habit with a new partner.

This means that the surviving spouse or partner cannot redirect the share of the property belonging to the trust. The final beneficiaries of this share have already been determined in the Will. If the survivor should remarry, have more children or simply change their Will at a later date, those changes will only affect their own share of the property.

Similarly, if the surviving spouse or partner becomes in need of care, the share of the property belonging to the trust will not be taken into account in any means test assessment for care fee funding.

Although most commonly used for properties, this type of trust arrangement can be used to safeguard other assets such as investments and can be a useful tool for estate planning and providing for different beneficiaries.

Including a Trust in your Will is an important matter and has lasting legal and tax consequences. For clear, friendly advice on all aspects of trust and estate planning, please contact our highly experienced private client specialists today.



"Clear and straightforward service. Maxine's fees were clearly stated and I felt able to raise all relevant issues"
P R, Corsham