

## Where there is a Will, there is a way...

By Selene C. Jordan M.I.P.W.

'Legacy'. A word we have probably heard more times than we can count. But what does it actually mean?

A legacy (also known as an 'inheritance') is a gift that gets passed down, and that can be a financial gift, property, and the list goes on. It's something that is received from a predecessor or something from the past, whether it's £100, £100,000 or even a precious heirloom.

Did you know that the Bible touches on leaving a legacy? Aside from Jesus dying and leaving us as his beneficiaries, John 14:16 says "And I will ask the Father, and he will give you another advocate to help you and be with you forever" (NIV)

Proverbs 13:22 says "a good person leaves an inheritance for their children's children" (NIV) or "a good man leaveth an inheritance to his children's children" (KJV).

I also like this version: "A good life gets passed on to the grandchildren" (the Message). Think about that for a moment - leaving a legacy gift could help to secure the future of another.

Did you also know that money and possessions are the second most referenced topic in the Bible? In fact, there are over two thousand references to money, including topics such as wealth, possessions, greed, investments, the mindset around money and more.

So, how do you leave a legacy and what is a Will?

A Will is a legal declaration by which a person, the Testator, names one or more persons to manage his or her estate and provides for the distribution of their property at death.

There are different types of Wills:

A **Simple Will** 'does what it says on the tin'. They are especially useful if you're a single person (including divorcees), a single parent or married but have children from a previous relationship.

**Mirror Wills** are for couples who have the same wishes. Each Will 'mirrors' the other.

A **Life Interest Will Trust** is a means of gifting assets to one person (The Ultimate Beneficiary) but allowing someone else (The Trust Beneficiary) to benefit from those assets for a pre-determined period, which is the Life of the trust. The benefits include protecting the interest of the surviving spouse/partner, helping to protect your children's inheritance and helping to protect against care fees.

A **Discretionary Will Trust** provides that your Estate is, or specific assets are, held by nominated Trustees for the benefit of a class of Beneficiaries. This type of Will was very popular before the Nil Rate Band allowance (£325,000), Double Nil Rate Band allowance (up to £650,000) and the more recent Residential Nil Rate Band allowance (up to £350,000) came into effect. A word of warning - because of its generous status there are quite strict rules which must be adhered to.

A **Right to Occupy Will** allows a beneficiary the right to live in a property for a specified time, or for their lifetime, but usually subject to conditions.

**WITHOUT** a valid Will:

- gifts may end up with the wrong person
- the person you wanted to benefit may not
- natural fathers may not have Parental Responsibility
- natural children may be disinherited
- and more!

**WITH** a valid Will:

- you can appoint guardians for your children
- ensure your assets are distributed how you would like
- make specific gifts to friends & family
- make gifts to Charity
- and more!

About that penultimate point, gifts to charities are free of Inheritance Tax which is also a clever way of reducing your Inheritance Tax bill. Leaving at least 10% of your estate to your favourite charity not only cuts down your IHT on the rest of your estate (from 40% to 36%) but it also means you're benefiting a good cause - your favourite cause! What a legacy!

**Selene is a Will Writer and a  
Member of the Institute of Professional Willwriters.**