

# Will & Estate Planning

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**W**hen it comes to Will and Estate Planning there are some things you might like to be aware of. Our Estate Planning Guide points these things out.

**M**aking a Will is such an important part of our financial planning. With the possible threat of substantial nursing home fees, or the danger of the children losing their inheritance to a second marriage partner, it is sensible to consider more carefully what the future holds.

**W**hen a couple own a house together, they normally do so as joint tenants. This means that on the death of the first partner, the first share is automatically passed on to the survivor, whether their will states that it should or not.

**O**wning a property as Tenants in Common, allows each partner to leave their share to whomever they wish.

A typical married couple would not, ordinarily, be adversely affected by being joint tenants, as it is more than likely that they would wish for their half of the property to be passed automatically to their spouse. However, if a couple are living together, have remarried, or have children from another marriage, then complications can arise.

**T**o avoid such problems a Property Trust may be set up within a Will, which, after the death of the first partner, will give the surviving partner all of the rights of occupation in the property and the

ability to purchase another property in substitution if required. It may also allow the survivor to sell the deceased's share in the property and invest it to provide an income.

**O**n the death of the second spouse, the remaining share would be divided among named beneficiaries.

**I**f you are a couple with children from a previous marriage, you may be concerned that should you die before your new partner, that your children may not inherit their share. The property Trust could ensure that each partner's share is distributed according to their wishes and that ultimately the children or beneficiaries will benefit on your death, without forcing the surviving partner to sell the property.

**W**hen the situation arises where one party requires long term care in old age, then owning a property as Tenants in Common could help solve the problem of losing your whole property to pay for residential or nursing home care bills.

**A** typical example is a couple whose only or main asset is the property they own as joint tenants. If one partner is in care paid for by the local authority, the house cannot be taken into account in assessing the means all the time the partner is still living in it. However, if the partner living in the house dies while the other partner is still in paid care, his or her share automatically transfers to the other partner thus allowing

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the local authority to take into account the whole of the value of the property, and where it is vacant, place a charge over it so that care charges can be recovered on the surviving partners death.

**T**he Property Trust has been developed to help prevent this particular problem by setting up a special form of trust within each Will, each partner can help to protect their individual share in the property, and the ability to purchase another property in substitution should this be required.

**I**t can even provide for the surviving partner to sell the deceased's part share in the property and invest it to provide an income. After the death of the surviving partner the property is sold and the original share is divided among the children or other beneficiaries.

**T**he trust is only binding as long as the parties require it to continue. They may change their wills and either cancel or vary the trust at any time if the circumstances dictate.

To speak to a friendly voice you can call us now on, 02920 301014

Alternatively please feel free to browse the other guides;

- 10 Things to Consider Before Investing
- Inheritance Tax Planning
- Retirement Options

Or send us an email. We would be delighted to provide you with the advice you require.

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