

## Legacy FAQs

Leaving a gift in your Will doesn't have to be complicated. We've put together some frequently asked questions which we hope will help you through the process.

### Why is it so important to make a Will?

Who knows what our future holds? Anything can - and does - happen. That's why it is so important to make a Will. It is the only way you can guarantee that your family, friends and favourite causes get what you want from your Estate. If you die without making a Will then you have no control over where your Estate goes after your death. Your very special gifts to relatives and charities, like Rowcroft Hospice, may be lost if you die without making a Will.

### Who should make a Will?

Everyone should make a Will because this is the only way you can be sure that your Estate will be distributed in accordance with your wishes. It is particularly important for parents with young families to make a Will to ensure that their children's needs are safeguarded. It is not enough to guarantee that their financial future is secure; thought must also be given to who will bring them up if you and your partner die. Guardians can be appointed in your Will and your solicitor will help with details of Trust Funds.

### Can I draw my Will up myself?

It is perfectly possible to draw up your own Will but even simple Wills must comply with legal formalities and, if you are not familiar with legal terminology, just one mistake could invalidate the whole document. The best advice we can give is that you use a solicitor to draw up the Will. It is worth the expense to have peace of mind knowing that your wishes cannot be misinterpreted.

### Why use a solicitor?

A Will can be a complicated document so to ensure that it is written properly, you should consult a qualified solicitor who understands precisely what is involved. A list of local supporting solicitors can be found on our website [www.rowcrofthospice.org.uk/make-a-donation/leave-a-gift-in-your-will/how-to-make-a-will](http://www.rowcrofthospice.org.uk/make-a-donation/leave-a-gift-in-your-will/how-to-make-a-will). You can also look out for our Make a Will Week which takes place every May, when local solicitors will draft your Will for free in return for a donation to Rowcroft.

### How much time is involved in making a Will?

Making a Will usually involves two trips to your solicitor, a first visit to give your instructions and a second appointment to check the document which has been prepared and to sign it.

### How much will it cost?



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The solicitor's charges will usually depend on the complexity of your affairs and the time taken to draw up your Will. Don't be afraid to ask for an estimate in advance. It may help to obtain estimates from various local firms before deciding which one to use. There may even be a reduced cost if you and your partner make matching Wills that leave the same property and possessions. Every May during Rowcroft's Make a Will Week a number of local solicitors waive their fee in place of a donation to the Hospice.

### **How can I save costs?**

To keep costs to a minimum the motto is be prepared! Having all the relevant information to hand will save your solicitor time and save you money. Make a list of all your possessions such as property, furniture and jewellery. Add to this list any shares, insurance certificates or bonds you hold and details of where these documents are stored. Finally, include on the list the name, address and account number of any bank or building society with which you have an account.

### **What about my digital legacy?**

More and more aspects of our lives are taking place online and therefore it is important to consider what will happen to your digital assets when you pass away. When completing your Will, you may wish to leave clear instructions about what should happen to your online assets. Having a list of your online accounts, such as email, banking, investments, social networking sites, music, passwords, etc will make it easier for family members to piece together your digital legacy, adhere to your wishes and could save time and money.

### **What about my funeral arrangements?**

As many people never quite get round to discussing funeral arrangements with loved ones, making a Will gives you the opportunity to make your wishes known. Make a note of these to be included in your Will. Strangely enough, the cost of a headstone or memorial is not regarded, by Law, as a funeral expense and it will make matters easier for your Executors if your wishes are also included in your Will.

### **How can I help family, friends and charities?**

If you would like to leave a gift to charity but need to ensure that family or close friends are well provided for during their lifetimes, there is a simple way to achieve both aims. Write down the full names and addresses of all the people you wish to remember in your Will. Think carefully about precisely which special gifts you wish to make and to whom.

### **What is inheritance tax?**

If you leave the whole of your estate to your surviving spouse then there will be no inheritance tax to pay, as transfers to surviving spouses are exempt. If your estate is worth over the threshold, then forward planning can reduce the tax payable - for instance any gifts made 7 years before death are not subject to inheritance tax. Any gifts made less than 7 years before the date of your death will be added back to the value of the estate and will be subject to inheritance tax and to tapering relief between 2 and 7 years. There are a number of other exemptions which can be made while you are alive, so do seek professional advice.



### If I leave a gift in my Will to charity will I pay less tax?

The illustration below shows the effect of tax relief:

Mr Smith leaves an estate of £500,000. He has two grown up children. His wife predeceased him but used up her inheritance tax allowance (nil rate band) in gifts to her children.

	Scenario A	Scenario B
Estate (£)	500,000	500,000
Gift of 10% of net estate to charity (£)		Nil 17,500
Inheritance Tax due (£)	70,000	56,700
Left to children (£)	430,000	425,800

In Scenario A, Mr Smith makes no gift to charity in his Will. He pays £70,000 in inheritance tax and his children receive the remainder.

In Scenario B, Mr Smith takes advantage of the new relief. As a result of which his children receive £2,100 less each but his favourite charity receives a gift of £17,500 and the taxman gets £13,300 less!

The amount of the gift to charity is calculated on the net figure for the estate. The net figure is calculated by taking the gross estate, in this case £500,000, and deducting any other inheritance tax reliefs available, in this case just the nil rate band (£325,000).

It is hoped that this new relief will encourage people to make a charitable gift in their Will.

### What type of gift can I leave?

**Pecuniary:** when you leave a specified amount of money to a person or charity.

**Residuary:** when you leave some or all of what is left over to a person or charity after all your other gifts have been distributed.

**Conditional:** when you leave something to someone, unless they die before you, in which case you can specify it should go to another person or charity.

**Specific:** a specific item e.g. a piece of jewellery or furniture.

**Reversionary:** when you leave a house or other property to someone for their use during their lifetime, after which it will go to another person or charity.

### Donations instead of funeral flowers

Many families now request donations to Rowcroft instead of funeral flowers and you can make your Executors aware of your wishes in your Will. Simply collecting donations at a funeral can help Rowcroft to continue to provide our vital care to our patients and support to their families.

### Why should I leave a gift to Rowcroft Hospice?

Although our specialist care is provided free of charge, it is not free to provide. It is funded in the main thanks to the donations and gifts in Wills we receive, and it is this kind



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support that enables us to care for over 2200 patients and their families each year. For more information about the services we provide, please visit [www.rowcrofthospice.org.uk](http://www.rowcrofthospice.org.uk)

### **What if I change my mind?**

We respect your right, at any time in the future, to change your mind about a gift in your Will to Rowcroft Hospice.

Many people put off making a Will in case they change their minds about their wishes and gifts in later years and also about the charities they wish to support. However, once you have made a Will, the original contents can be changed or added to by means of a Codicil and will not involve re writing your Will. The Codicil has to be signed and witnessed in the same way as the Will itself, although the witnesses do not have to be the same. The Codicil must be kept with, but not affixed to, your Will.

### **What next?**

Step 1: You should list all your major assets (home, household contents, personal items, car etc) together with all your financial details (bank and building society accounts, stocks and shares, pension, life assurance etc). Then take off all your debts (outstanding mortgage, loans, overdraft, credit card balance etc). This is your net estate before tax.

Step 2: List the family, friends and the charity or charities you wish to leave a gift to in your Will. Then think about what type of gifts you wish to leave - for instance your personal belongings and any cash to relatives and the residue to a charity. Remember, giving a legacy to charity is free of inheritance tax so your estate may be taxed less if you leave a charitable legacy.

Step 3: Think about who you would like as executors (they will handle your estate and ensure your wishes are fulfilled). Contact them to confirm they are willing to be executors when the time comes. It is usually best to have two executors who can be any adult including family, friends or even your solicitor - they are still allowed to be a beneficiary in your Will. If you have children under 18, you should also consider who you would like to be appointed as their guardian/s.

Step 4: You should consult your solicitor. If you wish to include a gift to Rowcroft, please let your solicitor know our registered charity number: 282723 and our address Rowcroft Hospice, Avenue Road, Torquay, Devon, TQ2 5LS.

### **Please keep in touch**

You do not need to tell us if you are leaving a gift to Rowcroft, but if you choose to do so we would love to stay in touch and keep you informed of our plans, events and the work we do.

You can email [linda.pearce@rowcroft-hospice.org.uk](mailto:linda.pearce@rowcroft-hospice.org.uk) or alternatively, please call 01803 217405.