

**Beneficiary** An individual or organisation who will receive a gift in your Will.

**Bequest** A gift in your Will.

**Codicil** An alteration or addition to your existing Will.

**Chattels and Moveables** Your personal possessions, including car and furniture.

**Estate** All your possessions at the time of your death, including money, investments and property.

**Executor/Executrix** The person appointed to make sure the instructions in your Will are carried out after your death.

**Inheritance Tax** The tax charged to your estate if it is worth more than a certain amount (the inheritance tax threshold).

**Intestate and Intestacy** You are said to be intestate if you die without making a Will. Intestacy is the name for this situation.

**Life Interest** A two-stage form of legacy, in which the first beneficiary has the use of and income from your property or possessions during his or her lifetime, but after his or her death possession passes to a second beneficiary named by you in your Will.

**Probate** The legal procedure to decide whether you left a valid Will and if not, to appoint administrators.

**Testator or Testatrix** The person who is making the Will.

**Trustee** Someone who is appointed to administer any part of your estate that you leave under a trust.

*Thank you*

from all your friends at  
The Royal Star & Garter Homes

The Royal Star & Garter Homes  
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The  
Royal  
Star & Garter  
Homes

Legal Update



## Make time to visit your solicitor

We recommend you use a solicitor to make your Will. Making a Will is straightforward but you can make it even easier if you use the checklist below:

- First, make a list of your major assets. For example; house, shares, bank and building society accounts. Take this information with you when you visit your solicitor.
- Next decide on your executors (these people make sure your wishes are carried out).
- Make sure that loved ones are looked after as a priority. Then list the people and charities you wish to benefit. If you are thinking of benefiting The Royal Star & Garter Homes,

please consider leaving a residuary bequest (this simply means a proportion of what is left after all other bequests have been settled).

- Bear in mind your beneficiaries may have to pay inheritance tax if your estate is worth more than the current inheritance tax threshold. A legacy to a charity can be an effective way to reduce inheritance tax.
- Everyone's circumstances are changing all the time so remember to review your Will from time to time.
- If you decide to leave a legacy to The Royal Star & Garter Homes, please show your solicitor our preferred wording.

## When should you make a new Will?

Whenever there is a major change in your life or circumstances most people should consider

making a new Will, for example – marriage and divorce.

### For a Residuary Gift (A proportion of your estate)

PREFERRED  
WORDING  
SAMPLE

"I give the whole/\_\_\_\_\_% of my estate not otherwise disposed of by this Will to **The Royal Star & Garter Homes of Richmond, Surrey, TW10 6RR**, Registered Charity Number 210119, for its general charitable purposes.

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I further direct that the receipt of the Honorary Treasurer or other proper officer of The Royal Star & Garter Homes for the time being shall be a full and sufficient discharge for the said legacy."

### For a Specific or Pecuniary Gift (A specific sum of money or item)

PREFERRED  
WORDING  
SAMPLE

"I give free of tax the sum of £\_\_\_\_\_ (or the item specified) to **The Royal Star & Garter Homes of Richmond, Surrey, TW10 6RR**, Registered Charity Number 210119 for its general charitable purposes. I further direct that the receipt of the Honorary Treasurer or other proper officer of The Royal Star & Garter Homes for the time being shall be a full and sufficient discharge for the said legacy."

## Take time to think about inheritance tax

Any gift, however large or small, will help us look after the many disabled ex-Service men and women we care for. But a gift to the Royal Star & Garter Homes

could also help reduce your inheritance tax liability.

From 5th April 2008 the nil rate threshold stands at £312,000, and this will increase to £325,000 for the

2009/10 tax year and to £350,000 for the 2010/11 tax year. In addition, from October 2007 married couples and civil partners can combine their individual tax-free allowances to create a larger allowance. If your total estate, including your home, exceeds the designated threshold then your estate could be liable to inheritance tax.

Any gift made to a charity, including The Royal Star & Garter Homes, is free of tax. Such gifts are deducted from your estate before your inheritance tax is calculated. So if these gifts bring the value of your estate below the threshold,

it should not be liable for any inheritance tax.

Because inheritance tax can dramatically reduce the value of a large estate, many people find they can make a significant contribution to a charity they care about with little effect on the value of the estate they leave to other beneficiaries like friends and family.

Bear in mind, many factors can affect your level of inheritance tax. Your solicitor should be able to advise you about your particular circumstances. If you have any other questions please contact John Ingram, Legacy and Trust Manager, on **020 8439 8125**.

## Can you add to an existing Will?

If you want to add to an existing Will it is possible to add a note called a "Codicil" without re-drafting the entire Will. A Codicil might, for example, include a bequest to a charity.

A Codicil is still a legal document and as such should ideally be drawn up by a solicitor and properly signed and witnessed like your existing Will.