

## Questionnaire

The position with regard to Inheritance Tax and Wills has been subject to a degree of change following the Pre Budget Report on 9th October 2007.

The basic inheritance tax position for married couples and civil partners before October 2007 was fairly straightforward.

If the first spouse died and left everything to the survivor then, on the first death, there would be no inheritance tax payable, due to the availability of spouse exemption. However, in these circumstances the nil rate band of the first to die had not been fully utilised. With the survivor owning all of the assets there was a bunching effect which meant that, on their death, there could be a large inheritance tax bill since they only had their own Inheritance Tax threshold to set against the bunched estates.

To mitigate this liability each Will contained a nil rate band Discretionary Trust. This Trust ensured that on the first death the nil rate band was fully utilised.

Whilst the inherent tax saving was the predominately main reason why such Wills were recommended they were also able to shelter assets to protect beneficiaries eg if a member of the family had matrimonial/debt issues or if you were concerned about the impact of home fees. They could also be used a vehicle to shelter business assets to maximise the Inheritance Tax relief available.

Despite the varied reporting on the changes the position has not changed at all for single people or as much as might be thought for married couples and civil partners.

For second deaths occurring on or after 9th October 2007 the inheritance tax impact of the 'bunching' of estates at the time of that death can be reduced by the survivor's Executors making a 'transfer claim' to the tax office. The effect of this claim is that the proportion of unused nil rate band on the estate of the first to die can be clawed back for the benefit of the second estate. A transfer claim would involve ascertaining the proportion of the unused nil rate band of the first to die and then transferring that to be set against the taxable value of the survivor's estate.

The effect of this is that if none of the nil rate band had been utilised on the first death the estate of the survivor could claim back the full value of their unused nil rate band. Meaning, in effect, that the available nil rate band for the second estate would be £624,000 (being £312,000 x2 for the tax year 2008-2009)

It must be remembered that the Inheritance Tax threshold has not been increased to £624,000.

The effect of the new rules will also vary depending upon the circumstances of the case concerned and specific advice must be taken to confirm how the changes will

effect you.

Previously, Discretionary Trusts were primarily completed by people wanting to mitigate their Inheritance Tax liability.

The changes in the rules have reduced their necessity to a certain extent but we would argue that there is still a role for Discretionary Trusts as part of your long term planning.

If instead of using a suitable trust arrangement everything is left to the survivor outright then:

- The survivor can spend all the money.
- The survivor may have financial problems and their creditors might take everything they have.
- The survivor may remarry and leave their estate to their new spouse.
- The survivor may enter means-tested long term care. In this case most of their estate may be paid out in care fees.
- The survivor might lose the mental or physical capacity to handle their own affairs. This could lead to their being exposed to financial abuse by third parties and their affairs might need to be taken over by the Court of Protection.
- If the first spouse/partner to die has any business or agricultural property which is relieved by inheritance tax business property relief or agricultural property relief then unless those assets are either given away outright to non spousal beneficiaries or into a flexible discretionary trust arrangement then the benefit of that type of valuable relief is lost.
- If the value of the assets in the estate of the first to die eg a share in the family home or shares/ any investment / interest paying bank account grow at more than the rate of increase in the nil rate band for inheritance tax purposes (which has broadly grown at the 'headline' inflation rate or RPI) as they have in the past then it would be advantageous to make use of the nil rate band of the first to die at the time of the first death. In short the growth in value of the assets is taken out of the value of the equation at the second death.

The changes to the Inheritance Tax regime are to be welcomed. But, it is important that you take appropriate advice to ensure that your personal position is adequately protected. The use of a Discretionary Trust in your Will is still the best way you can ensure that your estate passes to the people you want, in the way you wish, whilst still leaving your Inheritance Tax mitigation options open.

## Your Details (Client A) – please use capitals

<p>Full name including middle names:</p> <hr/> <hr/>	<p>Date of birth:</p> <hr/> <p>Place of birth:</p> <hr/> <p>Are you permanently resident in England or Wales?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Address:</p> <hr/> <hr/> <hr/>	<p>Telephone numbers:</p> <p>Home:</p> <hr/> <p>Work:</p> <hr/> <p>Mobile:</p> <hr/>
<p>Marital status (please circle):</p> <p>married / single / cohabiting / divorced / separated / widowed / engaged / registered civil partnership</p>	<p>Email address:</p> <hr/>

## Your Spouse/Partner (Client B)

<p>Full name including middle names:</p> <hr/>	<p>Date of birth:</p> <hr/> <p>Place of birth:</p> <hr/> <p>Are you permanently resident in England or Wales?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Address:</p> <hr/> <hr/> <hr/>	<p>Telephone numbers:</p> <p>Home:</p> <hr/> <p>Work:</p> <hr/> <p>Mobile:</p> <hr/>
<p>Marital status (please circle):</p> <p>married / single / cohabiting / divorced / separated / widowed / engaged / registered civil partnership</p>	<p>Email address:</p> <hr/>

# Your Personal Circumstances

1. Have you ever been divorced or dissolved a Civil Partnership?	Client A	Client B
	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
	Former spouse/partner's name _____	Former spouse/partner's name _____
	Date of divorce/dissolution _____	Date of divorce/dissolution _____
<input type="checkbox"/> No	<input type="checkbox"/> No	

2. Are you or your spouse/partner the director of a company or a partner in a firm?  Yes (please provide details on page 14)

No

3. Are you or your spouse/partner the beneficiary of a trust, whether or not you receive income from it?  Yes (please provide details on page 14)

No

4. Do you or your partner/spouse have any foreign assets (including property and bank accounts)?  Yes (please provide details on page 14)

No

5. Do you or your partner/spouse have agricultural assets?  Yes (please provide details on page 14)

No

6. How do you own your home?  Sole owner

Joint owner with someone else

Names of all owners: \_\_\_\_\_

Property held as:  Joint tenants (where the property automatically passes to the surviving joint tenants)

Tenants-in-common (where you each own an individual share in the property)

Don't know

Rented

7. Have you ever made a Will before?  No

Yes (please state below where it is kept)

\_\_\_\_\_

# Children & Dependants

1. Please provide details of your children:

Name: _____ DOB: _____ Male/Female	Address: _____ _____ _____
Name: _____ DOB: _____ Male/Female	Address: _____ _____ _____
Name: _____ DOB: _____ Male/Female	Address: _____ _____ _____

2. Please provide details of any children from previous relationships:

Name: _____ DOB: _____ Male/Female	Address: _____ _____ Name of mother: _____ Name of father: _____
Name: _____ DOB: _____ Male/Female	Address: _____ _____ Name of mother: _____ Name of father: _____

3. Certain dependants may be able to make a claim against your estate in the event that you make little or no provision for them in your Will

Do you have a former spouse who has not remarried / or a person who is dependant upon you who will not be included in your Will?  Yes  No

Do you pay towards the maintenance of any person who will not benefit under your Will?  Yes  No

If the answer to either of the above is 'yes' please give details and reasons below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Executors

Executors are the people who you appoint to deal with your estate after your death. They may include family members (over the age of 18), solicitors or even your bank (although professional executors may charge). It is possible to appoint up to four executors and **at least two** are required for Discretionary Trust Wills. Beneficiaries in your Will can also be appointed as executors.

1. Would you like to appoint your spouse / partner to act as your executor?  Yes  No

2. Would you like to appoint this firm as your executors?  Yes  No

3. Would you like to appoint this firm or your spouse/partner to act with other executors of your choice?  Yes (please provide details below of the other executors of your choice)  No

Full name: \_\_\_\_\_  
Relationship: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Full name: \_\_\_\_\_  
Relationship: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**4. If none of the above, please provide details of your chosen executors. You may also wish to appoint back-up executors in the event that your chosen executors are unable or unwilling to act. If so, please fill in their details below and state whether they are to act as your primary or back-up executors.**

Full name: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
 Primary Executor  Back-up Executor

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Full name: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
 Primary Executor  Back-up Executor

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Full name: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
 Primary Executor  Back-up Executor

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Full name: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
 Primary Executor  Back-up Executor

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Guardians of your Children

If you have children under 18 years of age for which you have parental responsibility, it is very important to give consideration to the appointment of guardians.

1. How many guardians do you wish to appoint?  1  
 2/more

2. Please name the children you wish to appoint guardians for: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Is there anyone else who has parental responsibility for your children e.g. spouse / partner or former spouse / partner?  Yes. Name: \_\_\_\_\_  
Relationship to you: \_\_\_\_\_  
 No

4. Please state the names and addresses of your chosen guardians below:

Full name: _____  Relationship: _____	Address: _____ _____ _____
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Full name: _____  Relationship: _____	Address: _____ _____ _____
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Full name: _____  Relationship: _____	Address: _____ _____ _____
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# Distribution of your Estate – Gifts of Money/Property

Whilst providing for your family and friends will of course be your priority, we hope that when deciding how to distribute your estate, you will also consider leaving a gift to The Labour Party in your will. You are under no obligation to do so, but if you want your values to live on for the benefit of future generations, by leaving a legacy to The Labour Party you will, in a very special way, extend your support for the party and its policies.

1. Do you wish to leave a cash sum or specific gift to a particular person, The Labour Party or organisation?  Yes  
 No. If no, please go to next page

# Distribution of your Estate – Gifts of Money/Property continued

## First gift

Full name of person/organisation: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount/item to be left: \_\_\_\_\_

Relationship: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If a minor is to benefit, at what age would you like them to receive their legacy? 18 is the legal minimum but this can be increased.  21  25  Other

## Second gift

Full name of person/organisation: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount/item to be left: \_\_\_\_\_

Relationship: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If a minor is to benefit, at what age would you like them to receive their legacy? 18 is the legal minimum but this can be increased.  21  25  Other

## Third gift

Full name of person/organisation: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount/item to be left: \_\_\_\_\_

Relationship: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If a minor is to benefit, at what age would you like them to receive their legacy? 18 is the legal minimum but this can be increased.  21  25  Other

# Distribution of your Estate – The Residue

Your residuary estate is the balance after all debts, taxes, legacies and specific gifts have been paid.

The residue of your estate can be left to one person or organisation, or you can leave a percentage to two or more people and/or organisations. Residuary legacies have the advantage of keeping pace with inflation over specified sums of money or items. They are also a way of helping organisations such as the Labour Party, which you have supported during your lifetime, after ensuring that all of your loved ones have been taken care of first.

1a. Do you wish to leave everything to your spouse/partner in the first instance?	<input type="checkbox"/> Yes
	<input type="checkbox"/> No
1b. If both you and your spouse/partner have died, do you wish to leave everything to your children equally and if so, at what age?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> 18 <input type="checkbox"/> 21 <input type="checkbox"/> 25 <input type="checkbox"/> Other
1c. If you are leaving any part of your estate to your children, do you wish to name them individually or refer to "my children". (The latter is recommended if there is a possibility of you having future children).	<input type="checkbox"/> By name
	<input type="checkbox"/> My children
1d. If any of your children have died before you or your spouse/partner leaving children of their own (ie your grandchildren), would you wish for the deceased child's share to pass to their children and if so, at what age?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> 18 <input type="checkbox"/> 21 <input type="checkbox"/> 25 <input type="checkbox"/> Other

2. If none of the above, please set out below who you would like to leave your residuary estate to and in what shares.

## First residuary beneficiary

Full name: _____	Address: _____ _____ _____
Share to be left ie 50% etc: _____	Relationship: _____ _____ _____
If under 18, at what age would you like them to inherit? <input type="checkbox"/> 18 <input type="checkbox"/> 21 <input type="checkbox"/> 25 <input type="checkbox"/> Other	If this person dies before you, would you wish their share to pass onto their children? <input type="checkbox"/> Yes <input type="checkbox"/> No

# Distribution of your Estate – The Residue continued

## Second residuary beneficiary

Full name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Share to be left ie 50% etc: \_\_\_\_\_

Relationship: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If under 18, at what age would you like them to inherit?

18     21     25     Other

If this person dies before you, would you wish their share to pass onto their children?

Yes     No

## Third residuary beneficiary

Full name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Share to be left ie 50% etc: \_\_\_\_\_

Relationship: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If under 18, at what age would you like them to inherit?

18     21     25     Other

If this person dies before you, would you wish their share to pass onto their children?

Yes     No

# Alternative Provisions - Optional

Please use this section to state the names and addresses of those you would like your estate to pass to in the event that all the above have died before you. Please also state what share the alternative beneficiaries are to receive.

<p>Full name of person/organisation: _____</p>	<p>Address: _____ _____ _____</p>
<p>Share to be left ie 50% etc: _____</p>	<p>Relationship: _____ _____ _____</p>
<p>If under 18, at what age would you like them to inherit?</p> <p><input type="checkbox"/> 18    <input type="checkbox"/> 21    <input type="checkbox"/> 25    <input type="checkbox"/> Other</p>	<p>If this person dies before you, would you wish their share to pass onto their children?</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p>
<p>Full name of person/organisation: _____</p>	<p>Address: _____ _____ _____</p>
<p>Share to be left ie 50% etc: _____</p>	<p>Relationship: _____ _____ _____</p>
<p>If under 18, at what age would you like them to inherit?</p> <p><input type="checkbox"/> 18    <input type="checkbox"/> 21    <input type="checkbox"/> 25    <input type="checkbox"/> Other</p>	<p>If this person dies before you, would you wish their share to pass onto their children?</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p>
<p>Full name of person/organisation: _____</p>	<p>Address: _____ _____ _____</p>
<p>Share to be left ie 50% etc: _____</p>	<p>Relationship: _____ _____ _____</p>
<p>If under 18, at what age would you like them to inherit?</p> <p><input type="checkbox"/> 18    <input type="checkbox"/> 21    <input type="checkbox"/> 25    <input type="checkbox"/> Other</p>	<p>If this person dies before you, would you wish their share to pass onto their children?</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p>

# Discretionary Trusts Wills

1. Would you like to include a discretionary trust in your Wills?    Yes     No

2. The beneficiaries of the trust should be very wide because the trust can continue for many years.  
Who would you like to include as the beneficiaries of the trust?

SPOUSE     CHILDREN     SPOUSE/WIDOW OF YOUR CHILDREN

GRANDCHILDREN     OTHERS

If 'others' please specify below:

First residuary beneficiary

Full name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Share to be left ie 50% etc: \_\_\_\_\_

Relationship: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If under 18, at what age would you like them to inherit?

18     21     25     Other

If this person dies before you, would you wish their share to pass onto their children?

Yes     No

# Discretionary Trusts Wills continued

## Second residuary beneficiary

Full name: _____	Address: _____ _____ _____
Share to be left ie 50% etc: _____	Relationship: _____ _____ _____
If under 18, at what age would you like them to inherit? <input type="checkbox"/> 18 <input type="checkbox"/> 21 <input type="checkbox"/> 25 <input type="checkbox"/> Other	If this person dies before you, would you wish their share to pass onto their children? <input type="checkbox"/> Yes <input type="checkbox"/> No

## Third residuary beneficiary

Full name: _____	Address: _____ _____ _____
Share to be left ie 50% etc: _____	Relationship: _____ _____ _____
If under 18, at what age would you like them to inherit? <input type="checkbox"/> 18 <input type="checkbox"/> 21 <input type="checkbox"/> 25 <input type="checkbox"/> Other	If this person dies before you, would you wish their share to pass onto their children? <input type="checkbox"/> Yes <input type="checkbox"/> No

A standard Letter of Wishes says that income will be paid from the trust to the spouse if they need it but if they do not, it can either be accumulated and added to the capital or distributed to the other beneficiaries. The capital will remain intact for the lifetime of the spouse unless the spouse needs it for a specific purpose or wishes to give the capital to the other beneficiaries. After the surviving spouse's death, the discretionary trust is distributed to the beneficiaries in equal shares.

If no one survives, then the trust will form part of your residuary estate.

We will include this standard Letter of Wishes unless you advise us differently below:

Assets held in joint names pass directly to the survivor and cannot be included in the Discretionary Trust. If you would like more information on severing joint assets in order to enable you to have sufficient sole assets to include a Discretionary Trust in your Wills, please tick here  and we will contact you to discuss the available options.

Please complete the Estate Calculator on the following page

# Estate Calculator

Current assets (approximate values)	Client A	Client B	Joint names
Your home	£ _____	£ _____	£ _____
Bank & Building Society accounts, National Savings	£ _____	£ _____	£ _____
Investments (ISAs, PEPS, shares, bonds)	£ _____	£ _____	£ _____
Other significant assets (property, cars etc)	£ _____	£ _____	£ _____
Foreign assets	£ _____	£ _____	£ _____
Business assets	£ _____	£ _____	£ _____
Trusts under which you are a beneficiary	£ _____	£ _____	£ _____
<b>Total assets</b>	<b>£ _____</b>	<b>£ _____</b>	<b>£ _____</b>
<b>Less</b>			
Mortgages	£ _____	£ _____	£ _____
Loans	£ _____	£ _____	£ _____
Anticipated payments or gifts to be made	£ _____	£ _____	£ _____
<b>Total to be deducted</b>	<b>£ _____</b>	<b>£ _____</b>	<b>£ _____</b>
<b>Current net assets</b>	<b>£ _____</b>	<b>£ _____</b>	<b>£ _____</b>

Life Assurance Policies or Death In Service Benefits	£ _____	£ _____	£ _____
Anticipated receipts (inheritances or other lump sums)	£ _____	£ _____	£ _____
Value of gifts made within the last 7 years	£ _____	£ _____	£ _____

If you become unable to care for yourself & your income is insufficient to pay for your care costs, this could result in your assets being eroded. Long Term Care Insurance can be arranged to cover the potential shortfall in your income.

Do you have any Long Term Care Insurance Policies?  Yes  No

If not, what is your attitude to the potential impact this could have on your assets?

\_\_\_\_\_

\_\_\_\_\_

Assets written in trust and most pension benefits including a death in service benefit, will not usually form part of your estate and will be dealt with under a separate trust. This may be beneficial for Inheritance Tax purposes and also means the monies may be released before Probate is issued. You are usually able to name your chosen beneficiaries in the event of your death (a nomination form). It is very important to keep the details of your chosen beneficiaries up to date. If you wish to change your wishes in respect of your beneficiaries, please contact your policy provider and request a nomination form. Life assurance policies will pass into your estate unless you have placed them into a trust. We can provide advice on a suitable trust at your request.

# Funeral Instructions

Please complete this section if you have any particular preferences.

Client A  Burial  Cremation

Special instructions:

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Client B  Burial  Cremation

Special instructions:

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## Further Information

Please use this space to provide any additional information. Continue on a separate sheet if necessary.

# Declaration:

## Client A

I consent to FB Wills Direct acting on my behalf in order to prepare my Will in accordance with the instructions I have provided herein.

The information I have provided is true and represents my own wishes.

<p>Signed:</p> <hr/>	<p>Full name:</p> <hr/> <p>Date:</p> <hr/>
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## Client B

I consent to FB Wills Direct acting on my behalf in order to prepare my Will in accordance with the instructions I have provided herein.

The information I have provided is true and represents my own wishes.

<p>Signed:</p> <hr/>	<p>Full name:</p> <hr/> <p>Date:</p> <hr/>
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**Mandatory:**

CLP Region:

Membership No:



St. Michael's Court, St. Michael's Lane, Derby DE1 3HQ

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FB Wills Direct is part of Flint Bishop Solicitors. A list of partners is available to view at our office. Regulated by the Law Society. Authorised and regulated by the Financial Services Authority.