

# INVEST

## SOUTHWEST

WILL MANAGEMENT SERVICES

### The latest news from Will Management Services

Please contact us on 01823 336265  
or e-mail [info@willmanagement.co.uk](mailto:info@willmanagement.co.uk)

## An Introduction to the Residential Nil Rate Band

You have probably, by now, heard about the Residential Nil Rate Band (RNRB) which has also been referred to as the Main Residence Nil Rate Band or simply the family home allowance. This new allowance was announced in the Summer 2015 Budget and will take effect from 6 April 2017.

The RNRB will be an additional allowance to the current Nil Rate Band (NRB) which currently stands at £325,000 and will be frozen at this figure until the end of 2020 to 2021. The RNRB will be introduced in stages until it reaches the full amount of £175,000 after 6 April 2021. The new allowance will be phased in as follows:

- £100,000 for 2017 to 2018
- £125,000 for 2018 to 2019
- £150,000 for 2019 to 2020
- £175,000 for 2020 to 2021

This will mean that by 2020-21 married couples and civil partners may pass on up to £1 million worth of assets to their children and grandchildren free of Inheritance Tax.

The RNRB will be limited to only one residential property. If you own more than one residential property, your personal representative will need to elect one qualifying property. To qualify for the allowance a property must currently be your main residence or have been used as your main residence at one point. The property that you own as a buy to let and have never used as your residence will NOT qualify for RNRB.

A property must be 'closely inherited' by Will or under the rules of Intestacy. 'Closely inherited' means the property must be inherited by your children, grandchildren or other lineal descendants. This also includes your step-children, adopted children, children whom you have been appointed guardian of, and fostered children.

If the net value of your estate is over £2 million (the taper

threshold) the RNRB will be reduced by £1 for every £2 your net estate exceeds £2 million.

Finally, the RNRB may be transferred in the same manner as the NRB. On the death of a surviving spouse or civil partner their personal representatives/executors may apply for any unused RNRB to be transferred.

These matters are complex and if you wish to discuss any of the implications above and how it will affect your family please do get in touch with us. We are here to help.



Linda Fisher MSWW Will & Estate Planning Manager

Do you belong to a group? Would you like Linda to come along and present on Wills, Lasting Power of Attorney, Probate, Inheritance Tax? Free of charge.

Call us: 01823 336265

**Invest Southwest Will Management Services**

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# **Property Deeds/ Unregistered Property**

**Do you know where your property deeds are?**

**Is the bank storing them? Are they with your mortgage provider? Are they somewhere in your home? If you do not know the answer to that question - you really should!**

Safety of your deeds is very important, these documents confirm that you are the legal owner of your property.

Deeds are easily misplaced, even by banks.

If your property is unregistered at the Land Registry we advise checking where your Deeds are stored - better still register it now - in your lifetime. This will avoid extra delay and costs for compulsory registration after death.

Worst case scenarios for unregistered property can be frightful, and drafting replacement deeds/obtaining insurance and claiming adverse possession is not always straightforward.

**We are here to help, just give us a call.**

# **Probate and Estate Administration**

**Great news, we are now fully authorised  
representatives of Kings Court Trust.**

We can take care of Probate/Estate administration quickly, completely and for a guaranteed fixed fee which is agreed with you in advance.

This includes:

- Completing all Inheritance Tax forms
- Applying for probate
- Income Tax work for the year of death
- Specialist buildings insurance
- Setting up Trusts within a Will
- 24/7 online case tracking
- Postal redirection
- Registering unregistered properties
- Arranging for a pet to be re-homed
- Cancelling or transferring utilities
- Distributing funds to beneficiaries
- Producing estate accounts

**You can rest assured we know what needs to be done. You can check progress online or speak to your personal estate adviser at any time.**

# **Lasting Power of Attorney**

**A Lasting Power of Attorney (LPA) is a legal document which allows you to grant a person or people the power to make decisions on your behalf. Having an LPA will save your family a lot of time and stress in the event of loss of capacity. If capacity is lost without any LPA in place, family and friends would need to apply for a Deputyship Order which takes significantly longer and is more expensive than registering an LPA.**

Unfortunately, capacity could be lost at any time making the need for an LPA ever more important. Whilst it can be quite distressing having to think about what would happen if you did lose capacity, having an LPA arranged prior to this will give you peace of mind knowing that in the event of a loss of capacity, decisions can be made on your behalf by the people you trust to do so.

There are two types of LPA, both of which must be made when the donor (you) has capacity. The first type is the Property and Financial Affairs LPA which covers decisions about the donor's financial affairs and their property. The attorneys can use this both before and after the donor loses capacity. The second type of LPA is the Health and Welfare LPA. This covers decisions about the donor's personal health and welfare, and can only come into effect after the donor has lost capacity.

So who should you appoint as an attorney? You can have one or more people appointed as attorneys and these can be replaced should any become unable to act on your behalf. If they are over 18 and have mental capacity, then they can be appointed. It is a very personal decision when it comes to appointing an attorney as it needs to be someone that the donor trusts completely. Often this means appointing either a spouse, partner, son or daughter however this is not always practical and in such cases a professional attorney can be appointed. This will bring added costs as professional attorneys may charge fees.

**An LPA isn't valid until it has been sent to the Office of the Public Guardian (OPG) to be registered.**

**They currently charge a fee of £82 per document.**

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