

Glossary of terms

There are many confusing legal words that are used when talking about Wills. Here are some simple explanations for the most commonly used terms:

Beneficiary

A person or charity who benefits from a gift in your Will.

Bequest

A gift left in your Will (see Legacy below).

Codicil

A legal document making a change or addition to your existing Will.

Estate

The total value of everything you own at the time of your death.

Executor/Executrix

A person/s you ask to make sure the wishes expressed in your Will are carried out. Executors can also be beneficiaries.

Inheritance tax

A 40% tax payable on estates worth over £325,000. Money left to your spouse or a charity is not taxed. If your spouse pre-deceased you and did not use up their full inheritance allowance, this will be added to your own at the rate prevailing at your death. Legacy 10 came into force on 6th April 2012. For people who die after this date and leave 10% of their estate to charity there is a corresponding reduction in the overall rate of Inheritance tax payable on the rest of the estate from 40% to 36%. It is also possible to achieve this saving by way of a deed of variation after someone has died too by inserting the legacy to charity into their Will after death.

Intestacy

Dying without having made a Will.

Legacy

A bequest/gift in your Will. It can be:

Pecuniary

A specific sum of money that can be gifted to Treetops.

Residuary

Once loved ones have been looked after and expenses have been paid, you can choose a percentage of the remaining amount to gift to Treetops.

Specific

This is a specific item (such as jewellery or an item of furniture) that you wish to leave to Treetops.

Restricted

This is an amount of money gifted to the hospice for a specific purpose, such as for equipment or buildings.

Contingent

A legacy made on the basis of another event happening first e.g. you could state that a gift only applies if all the other beneficiaries die before you do.

Testator/Testatrix

You, the person/s making the Will.

Witness

Person(s) being present at the signing/authorisation of your Will. A witness cannot be a beneficiary.