

Making sense of **Legal Terms**

Legal language can seem daunting. We hope our jargon-buster cuts through the complexities for you:

Assets - The money and property you own.

Beneficiary - A person or organisation that will receive a gift in your Will.

Bequest or Legacy - A gift to an individual or organisation in your Will.

Chattels - Personal property including furniture, furnishings and moveable goods.

Codicil - A legal form used to change or add to a Will. It must be signed and witnessed.

Estate - Your possessions, property and money.

Executor - The appointed person(s) who has the legal authority and responsibility to administer your estate and will ensure your finances and possessions are distributed in accordance to what is stated in your Will.

Inheritance Tax - All estates are required to be assessed for Inheritance Tax. The Inheritance Tax threshold is presently £325,000, this was set in the April 2015 budget. Tax is payable at 40 per cent on the amount over the threshold. From 6 April 2012 people who leave ten per cent or more of their net estate to charity are entitled to pay a reduced rate of Inheritance Tax of 36 per cent.

Pecuniary gift - Gift of a specific sum of money.

Probate - A legal document that gives you the right to sort out the affairs of someone who has died and left a Will.

Probate Registry - The body responsible for the administration of grants of probate and grants of letters of administration.

Residuary gift - A gift of whatever is left of your estate after paying all other bequests and costs.

Residue - The sum left from an estate when all debts, charges and gifts are deducted.

Reversionary gift - A gift of property or possessions left to someone for the rest of their life, which is then passed on to someone else. Also known as 'Life interests' or 'Interests in possession'.

Reversionary beneficiary - A person who receives a gift after the life tenant's death (or at some other determinable event).

Specific gift - A gift of a particular object or property.

Trusts - A Trust is where someone (or more than one person) holds money or property on behalf of someone else (called the beneficiary). For example, when the beneficiary is a minor.

Will - A legal document drawn up and signed in the prescribed form, stating how you wish your estate to be distributed after your death.

