



WILLS AND INHERITANCE TAX PLANNING



ICAEW
ACCREDITED
FOR PROBATE



LIFE CAN CHANGE IN A MATTER OF SECONDS

Are you prepared?

Previously, people did not prioritise estate planning. The coronavirus pandemic has prompted a surge in demand for urgent advice to put financial affairs in order. What was previously a do-it-tomorrow task, has become an all-important it might be too late.

Inheritance tax planning is all about being prepared for the unexpected. When you die you may want your estate to pass onto your loved ones with as little inheritance tax (IHT) to pay as possible. As tax specialists, P&Co Chartered Accountants can help plan this.

OUR SERVICES

1

WILL WRITING

2

INHERITANCE
TAX PLANNING

3

PROBATE

This guide will introduce to you to ways to prepare effective plans that will help you control what happens to your estate.

1

WILL WRITING

*More than half of white British adults have not made a will and only 19% of Chinese adults surveyed have made a will**

A will is a legal document that sets out how you wish your property and assets (your estate) are distributed, as well as how your children are taken care of after your death.

Dying without a will, also known as “intestacy”, may result in an undesirable inheritance of your estate. This may cause unnecessary stress and disruption for your family. Under intestacy rules, if you are married, your spouse will get the first £270,000 of your assets, plus your personal possessions, and part of the rest depending on if there are any children. Your children (if any) would share half of the surplus over £270,000, with the other half going to the spouse. Any unmarried partners, step-children and friends get nothing.

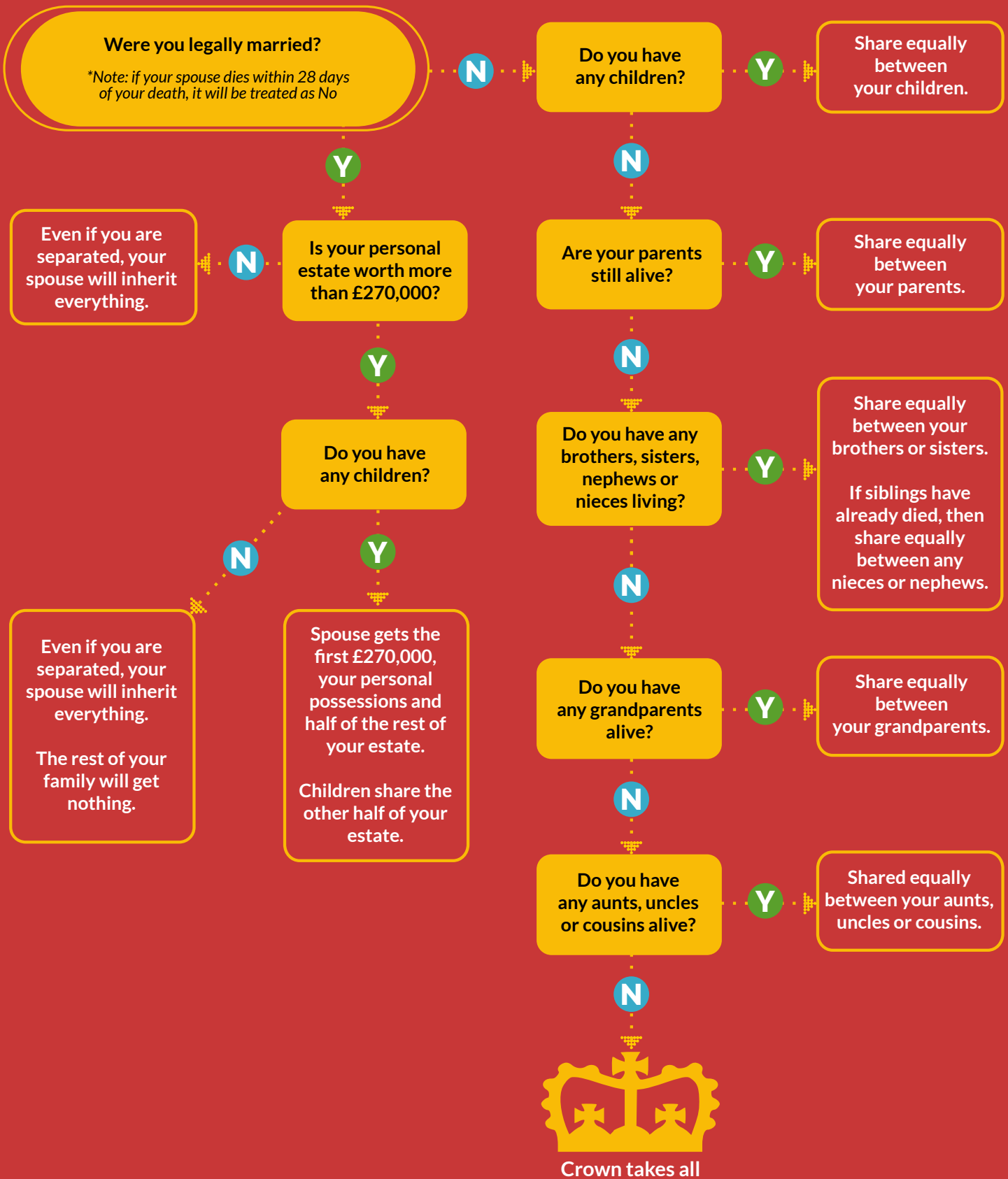
Writing a will gives you control of the inheritance of your estate, meaning you can choose who you want to gift your assets to.

* Source: The research was carried out in 2020 by YouGov on behalf of Legal Services Consumer Panel covering adults who used legal services in England and Wales. For full details of the research please visit <https://www.legalservicesconsumerpanel.org.uk>



RULES OF INTESTACY

What happens to your estate if you die without a will?



WILL WRITING SERVICE GUIDE

We have developed a simple and hassle-free 4-step service:

Meet With Your Advisor

At your appointment, online or in person, we will listen to your wishes and discuss your options. We'll cover what assets go into your will, who and how they inherit your estate, and discuss funeral plans if necessary. Everything will be explained to you in plain language (in Chinese or Japanese if required) so you do not have to worry about complex legal jargon.

Signing and Witnessing

For your will to be legally binding, we will guide you through the signing process. We will advise you on the requirements of signing and witnessing (in person or remotely) your will so you can be rest assured that your wishes can be legally carried out.

1 Complete Our Online Fact-Finding Form

Our bespoke fact-finding form (available in English, Chinese or Japanese) will provide us with basic information about you, your family and your financial position. This will be used to prepare and carefully plan our follow-up appointment with you.

This can be completed online at your own pace.

3 Customise Your Will

After carefully analysing your circumstances, we will tailor-make a legal binding will to reflect your wishes. We can also provide professional Chinese or Japanese translation if you need one for reference.

WHAT NEXT?

Now that you have a professionally written will, the next step is to store it properly and let your executor(s) know where to find it when you are gone – P & Co can advise you on this.

We also recommended that you update your will every few years or when your life circumstances change. Amending your will is easy if your last will was written by us.

WHAT IS IN A WILL

A will usually sets out the following:

- ▀ who is entitled to benefit from your estate
- ▀ who is going to look after your children under 18 (or even your pets)
- ▀ who is going to handle your estate and carry out your wishes (the executor)

You can also specify any funeral wishes you may wish to include.

P&CO AS EXECUTOR OF YOUR WILL

By appointing P & Co as an executor of your will, we can reduce your administrative burden by handling the paperwork on your behalf. And if you are the executor or administrator of a large, complex estate consisting of multiple assets and investments, we can help take up the responsibilities of navigating through the probate procedures and manage the whole process for you. Our knowledgeable and experienced advisors can provide you with tailor-made probate solutions to fit your unique financial needs to protect your wealth and maximise the benefits for your family and other beneficiaries.

WRITE YOUR WILL TODAY

A will can be as simple as a few lines or it can be complex and cover many pages. For your own and your family's peace of mind, it is best to have your will prepared by a professional will writer such as P & Co. When someone dies without any estate planning or a will, the rules of intestacy will decide how the estate will be shared out, which means decisions about your estate will be in the hands of judges. Without a will, you have no control over what happens to your estate.

If you want to make a will or want to know more about our will writing service, get in touch with our experts today.

▀ Visit us at
18 Ensign Street, London, E1 8PA

▀ Call us on
+44 (0)2072640390

▀ Email us at
probate@pcollp.com



2

INHERITANCE TAX PLANNING

Inheritance tax planning is a long term strategy devised to protect you and take care of your family's assets by minimising taxes. Inheritance tax is a tax on the estate of someone who has died, however, it can also apply to some gifts that are made during the deceased's lifetime.

With the help of our tax specialists, inheritance tax can be reduced legally and safely by, for example:

- ▶ making a will
- ▶ leaving your estate to your spouse or civil partner
- ▶ putting your assets into a trust for your heirs
- ▶ giving gifts while you are alive
- ▶ leaving part of your estate to charity
- ▶ using life insurance to pay the tax
- ▶ paying into a pension
- ▶ the use of property allowances
- ▶ making use of business relief
- ▶ business exit strategies

P&Co's Inheritance Tax Planning Service

Our inheritance tax planning service will review your net financial situation, alongside your future needs to help advise you to determine the most effective way to protect your assets. Our dedicated and experienced tax experts are most suited to give you advice on inheritance tax planning, particularly if you have complex financial needs, for example:

- ▶ you are a non-UK domicile person
- ▶ you have properties and assets outside the UK
- ▶ you own a business (whether as a sole trader, owner of a limited company or partner in a partnership)

Early planning can help reduce the amount of inheritance tax payable on the value of the property and money you leave behind and make sure they are protected and secured for future generations. However, all of these require careful planning over an extended period – so the sooner you start to think about inheritance tax planning, the better. Our tax specialists can guide you on how to reduce your inheritance tax bill.

Contact us to find out more.

- ▶ Visit us at
18 Ensign Street, London, E1 8PA
- ▶ Call us on
+44 (0)2072640390
- ▶ Email us at
probate@pcollp.com



3

PROBATE

Probate is a term used to refer to the process of dealing with the estate of a deceased person.

The probate process ensures that taxes are calculated and paid, debts are paid, money owed is collected, and the deceased's remaining assets are distributed to the beneficiaries in accordance with his or her wishes if there is a will, or intestacy if there is not.

The process of probate can sound quite formal and complicated. To help you with some of the common words and phrases that are used, we have put together a glossary of probate and estate administration terms at the end of this guide.

The probate process may involve (but is not limited to):

- ▄ death registration and death certificate
- ▄ finding the will
- ▄ arranging the funeral
- ▄ Informing all relevant persons
- ▄ applying for probate or administration

- ▄ valuing the estate
- ▄ drawing up final estate accounts
- ▄ working out your inheritance tax position
- ▄ completing all the relevant tax and administrative paperwork
- ▄ collection and distribution of estate assets
- ▄ selling or transferring property
- ▄ closing the deceased's bank accounts
- ▄ paying off debts

If your estate is complex and requires the sale and distribution of property or overseas assets, the amount of work involved can be an added burden to your loved ones during a time of grief. With our in-depth knowledge and experience, we can provide you with tailor-made probate solutions to fit your unique financial needs to protect your wealth and maximise the benefits for your family and other beneficiaries.

Whether you want to plan for the future or you are in need of an executor, P & Co are here to help.



WHY P&CO

We believe that trust is the most important aspect when it comes to financial matters. P&Co has helped our clients for over 30 years. Understanding that your personal matters are truly important and unique for each individual person, we are proud to support you with:

Multiple Languages & Translation Services

Our team can communicate in Cantonese, Mandarin, Japanese and English and can help translate documents into your preferred language.

International Expertise

Our international tax knowledge helps ensure both your UK and overseas assets are considered in your Wills, Inheritance Tax Planning and Probate.

Confidential & Personal Touch

We understand inheritance matters can be delicate or sensitive. Our personal yet professional touch can help guide you through the process in a fair and impartial way.

Contact us today to arrange a consultation with a P&Co specialist!



Jonathan Pitayanukul
(Managing Partner)



James Pitayanukul
(Partner)



Elizabeth Carter
(Chartered Accountant)

All our advisors are authorised by ICAEW to carry out non-contentious probate in England and Wales.

If you need help with will writing, inheritance tax planning or probate, or if you want to know more about our services, get in touch with our experts today.

▶ Visit us at
18 Ensign Street, London, E1 8PA

▶ Call us on
+44 (0)2072640390

▶ Email us at
probate@pcollp.com

GLOSSARY OF PROBATE AND ESTATE ADMINISTRATION TERMS

Administrator

A person appointed when either no will can be found or there is no executor to carry out the intentions of the will.

Assets

Generally the property owned by the person who died. For example, a house, household goods, savings, investments, a car, etc.

Beneficiary

Someone who is entitled to receive a specific gift, sum of money or share of the estate.

Bequest

A gift left in a will.

Chargeable gift

A gift on which inheritance tax may be payable.

Codicil

A document that amends (rather than replaces) a will. Codicils can adversely affect a will, altering, cancelling or adding provisions to it. It is therefore more common to re-write the whole will.

Executor

A person or persons named in a will as responsible for sorting out the estate of the person who's died.

Grant of probate (England, Wales and Northern Ireland)

A document issued by the court that confirms to executors that they have authority to act, and which validates the will. Grant of probate often refers to the greater legal process of administering the estate of a deceased person by resolving all claims and distributing the deceased person's property under the valid will.

Guardian

Someone appointed to look after the interests of a child under the age of 18 in England, Wales and Northern Ireland or under 16 in Scotland.

Inheritance tax

Tax payable on the estate (the property, money and possessions) of someone who's died. The standard inheritance tax rate is 40%. It's only charged on the part of your estate that's above the threshold which is currently at £325,000.

Intestate

A person who has died and not left a legally valid will.

Joint tenants

A type of ownership on a property. For example, if a couple owns a house together and purchased it jointly they are known as joint tenants. As joint tenants, if one spouse dies then the property will automatically go to the other spouse.

Legacy

A gift of a specific item or cash sum left in a will (except property). Pecuniary legacy is a gift of money under a will. A specific legacy is a gift of a specific object under a will.

Letters of administration

A document given by the registrar to appoint people to handle a person's estate, where there is no will, no executors appointed in the will, no executors still living, or no executors willing to carry out executor's duties.

Life interest

The right to enjoy for life (or until a specified time period has elapsed or an event has occurred). This can be either money or property which will eventually revert to the original estate in some way on death.

Nil rate band

The nil rate band refers to the tax-free allowance above which inheritance tax is payable. You can pass on assets up to the value of your nil rate band without incurring inheritance tax. The nil rate band is currently £325,000 and it will remain fixed at this amount until April 2026.

Personal representative

A personal representative is the executor or administrator managing the deceased's estate

Potentially exempt transfer (PET)

A gift made during one's lifetime that is exempt from inheritance tax if the donor lives for seven years after making the gift.

Residential nil rate band

Introduced by the government in 2017, it is an additional tax-free allowance available if you leave your interest in a residential property to a direct descendant. The residence nil rate band is currently £175,000.

Residue

The balance of the estate after payment of funeral expenses, debts, legacies and all taxes. A residuary beneficiary is a person entitled to the residue.

Tenants in common

One way to own property by two or more individuals. Tenants in common each have a definite share in the property. Owning a property as tenants in common means that the will dictates who gets the property, meaning that the spouse may not automatically receive it.

Testator/testatrix

The person (male/female) who makes the will.

Trust

An arrangement by which assets are handed over to trustees to be applied for the benefit of other people known as beneficiaries.

Trustee

The person who holds property on behalf of another person and is responsible for administering the trust assets.

** Tax rates and figures used in this document are correct as of June 2021.*

#YourSuccessIsOurSuccess

P&CO

WILLS AND INHERITANCE
TAX PLANNING

/// LONDON HEAD OFFICE

/// MANCHESTER OFFICE

18 Ensign Street
London
E1 8PA
UK

48 Faulkner Street
Manchester
M1 4FH
UK

/// WEBSITE

/// EMAIL

www.pcollp.com

probate@pcollp.com

+44 (0)207 264 0390

+44 (0)161 228 3636



ICAEW
ACCREDITED
FOR PROBATE

Authorised by the Institute of Chartered Accountants in England and Wales to carry out the reserved legal activity of non-contentious probate in England and Wales. Details of the firm's probate registration can be viewed at icaew.com/probate, under the firm's reference number C008924235. P and Co is a trading name of P and Co Services, a limited company registered in England and Wales (Registration No: 13197417). The registered office is 18 Ensign Street, London E1 8PA, UK.