

RVC

Animal Care Trust  
Royal Veterinary College

Once an animal lover...



As an animal lover, you understand the comfort and joy pets bring to our lives. The good news is that you can do something very special for them in return by remembering the Royal Veterinary College Animal Care Trust in your will.

For many years, the Animal Care Trust has been a fortunate and grateful beneficiary of gifts left in the wills of generous clients, friends, former students and staff. These gifts, whether large or small, really are invaluable to our work and help us secure a brighter future for all the animals in our care. From funding equipment to building better facilities for our patients and clients, legacies are helping us to care for and treat countless sick and injured animals, to improve their chances for longer, happier lives.

### **Making a will**

Having a will is so important but surprisingly most people die without making one. With an up-to-date will, family and friends avoid financial and legal confusion and do not risk losing their inheritance to the Inland Revenue. Your will is a unique and personal document and an opportunity for you to leave gifts to the people, causes and charities that are close to your heart.

If you are making a new will or simply adding to an existing one, this pack will explain some of the choices open to you and the possibilities to consider. It will show you why it is important to make a will and explain some of the terminology that you will come across when doing this.

Whatever your intentions, we recommend that you seek independent professional advice. Your solicitor will help you think through your wishes and ensure that these are recorded in your will accurately. They can also advise on the tax advantages associated with leaving a gift to a registered charity such as the Animal Care Trust.

When you make or update your will and have remembered your loved ones, please consider helping the animals that we care for.



...always an animal lover

## Why is it so important to make a will?

By making a will, you can decide what happens to your property and possessions after your death. Although you do not have to make one by law, it is the best way to make sure your estate is passed on to family, friends and the causes that you care about, exactly as you wish.

There are many good reasons to make a will. You can:

- decide how your assets are shared – if you die without a will (often referred to as dying intestate), your assets will be distributed according to the law rather than your wishes
- ensure that your family are provided for
- provide for your partner (without a will, a common law wife or husband is entitled to nothing)
- minimise your estate's Inheritance Tax liabilities
- ensure your wishes for your funeral are recorded

### When is a good time to make a will?

You should make or review your will when you marry, if you have a partner to whom you are not married, or if your personal circumstances change through bereavement, divorce, separation or new births. **Please note that a remarriage invalidates a previous will.**

Once you have a will, it is recommended that you review it every five years to take account of any changes. It is easy to make changes to a will by adding a *codicil* (which is an addition, amendment or supplement to a will) or you can write a new one.

### What should be included in your will?

Before you write your will or consult a solicitor think about what you want included. You should consider such things as:

- how much money, what property, investments and possessions you have (this is usually called your *estate*)
- which family members, friends or charities (known as *beneficiaries*) you wish to leave gifts to (these gifts are usually referred to as *legacies* – see our *Glossary of Terms* for more information about different types of legacies)
- who should look after any children under 18 years of age
- who should care for your pets
- any particular wishes for your funeral
- who you will ask to be your executor(s)

### What is an executor?

Executors are the people who will be responsible for carrying out your wishes and for sorting out your estate. They will have to collect all the assets of the estate, deal with all the paperwork and pay all the debts, taxes, and funeral and administration costs out of money in the estate. They will then need to pay out any gifts and transfer any property to your beneficiaries, following the instructions that you have left in your will.

### Who should you choose as your executors?

It is not necessary to appoint more than one executor although it is advisable to do so. It is common to appoint two, but up to four executors can take on the responsibility for administering a will. The people most commonly appointed as executors are:

- relatives or friends (including beneficiaries)
- solicitors or accountants
- banks
- the Public Trustee (in England and Wales) if there is no one willing and able to act

It is important to choose executors with considerable care since it involves a great deal of work and responsibility. Also, remember that your executor will have access to all your personal belongings and papers. You should always approach anyone you are thinking of appointing as an executor to see if they will agree to take on the responsibility and obtain their permission before naming them in your will. A solicitor will charge a fee to act, which will be written into the will. A non-professional executor cannot charge a fee, but can claim proven expenses. Some people leave cash in their will to those named as executors, provided they act as such, to compensate for their time.

If someone is appointed who is not willing to be an executor, they have a right to refuse. If an executor dies, any other surviving executor(s) can manage the estate.

### What about Inheritance Tax?

Inheritance Tax (often referred to as IHT) is the tax levied by the government on your estate when you die. Essentially, it is a very simple tax charged on the net value of everything that you own above a designated threshold, which is called the Nil-Rate Band.<sup>1</sup>

What this means is that when you die, the value of all your assets (including all your belongings, property, investments etc) is calculated. If your estate exceeds the Nil-Rate Band then you may have inheritance tax liabilities. The value of an estate over and above the Nil-Rate Band is currently taxed at 40% (see our enclosed schedule of current IHT laws for more information).

There are a number of exemptions from Inheritance Tax liability. This includes gifts made to:

- your husband, wife or civil partner (even if you are legally separated, but not if you have divorced or if the civil partnership has been dissolved), as long as you both have a permanent home in the UK. If you do not use your full Nil-Rate Band to make tax free legacies to other members of your family or your friends, the unused amount can be transferred and used by the survivor's estate on their death
- UK registered charities
- some national institutions, including national museums, universities and The National Trust
- UK political parties

If you are a couple cohabiting or living together, there is no spousal relief from Inheritance Tax, so neither you or your partner will be eligible for the exemption detailed above, nor will either of you be able to transfer your Nil-Rate Band.

### **Can I leave specific instructions on how the Royal Veterinary College Animal Care Trust can use my gift?**

The Trust's priorities may change, so unrestricted gifts are of the greatest benefit because they can be directed to projects where most help is needed at the time. For this reason we recommend that your gift should be left for the Trust to use 'where the need is greatest'.

However, you can choose to specify that your gift should support the work of the College's hospitals or any of the many other areas of our work, including student support, the development of new buildings and facilities and scientific and clinical research.

The Trust will always endeavour to honour your wishes, but much can change over the years. So, even if you are specific about how you would like us to spend your gift we recommend that you should include a paragraph that allows some flexibility so that we can ensure your gift will always remain useful. This can be found in the *Wording your Will* leaflet, in the back of this pack.

It is important for us to understand your intentions and we would be delighted to discuss your wishes in the strictest of confidence.

### **Keep your will safe!**

Once you have made your will, it is important to keep it in a safe place and tell your executor, a close friend or relative, where it is stored. If a solicitor draws up your will, they will often keep the original and send you a copy; however, you can ask for the original if you wish to hold it.

### **Making a will in Scotland**

Scottish law on inheritance differs from English law. If you live in Scotland and want to make a will, we suggest that you contact a solicitor or a voluntary organisation such as Age Concern Scotland or your local Citizens Advice Bureau for advice.

### **Is it necessary to use a solicitor?**

There is no requirement for a will to be drawn up or witnessed by a solicitor. If you wish to make a will yourself, you can do so. However, you should only consider doing this if the will is going to be straightforward.

We recommend that you use a solicitor or have a solicitor check your will to make sure it is clear and correct. It is easy to make mistakes and if there are errors in the will it can cause problems and distress to your beneficiaries, after your death. Sorting out misunderstandings and disputes may result in considerable legal costs, which will reduce the amount of money in the estate.

### **How much does a solicitor cost?**

The charges for drawing up a will vary between solicitors and depend on the complexity of the will. Before making a decision on who to use it is always advisable to check with a few local solicitors to find out how much they charge. To reduce the time (and therefore the cost) try to go to your solicitor with all your wishes written down.

### **Is there anything else that I need to know about wills?**

Probably! Everybody is different and will have different requirements. For this reason, we strongly advise you to consult professional advisors, such as a solicitor. Whatever you decide, do make sure that your intentions are crystal-clear.

<sup>1</sup> For more information on Inheritance Tax thresholds (the Nil Rate-Band), please see our enclosed schedule or visit [www.direct.gov.uk](http://www.direct.gov.uk)



# Glossary of terms

We know how confusing the terms associated with legacies or writing your will can be. We hope that our *Glossary of Terms* will help you understand the terminology used.

## Beneficiary

A person or an organisation, to which you leave a gift in your will.

## Bequest

(also known as a Legacy)

A gift you leave in your will to a person or organisation.

## Chattels

Personal effects and belongings.

## Codicil form

A document that alters the content of, or adds to an existing will and is kept with your will.

## Domicile

A person's domicile is where they have their fixed and permanent home and to which, when they are absent, they always have the intention of returning.

## Estate

The total sum of your possessions, property and money left at your death after debts have been paid.

## Executor(s)

Person(s) appointed by you to ensure the wishes in your will are carried out.

## Inheritance Tax (IHT)<sup>1</sup>

The tax paid when you die, on the proportion of your estate that is over the Nil-Rate Band threshold.

**Remember all gifts in your will made out to registered charities are free of inheritance tax.**

## Inheritance Tax threshold

See Nil-Rate Band.

## Intestate

If you die without making a valid will, you have died intestate.

## Legacy

Any gift you leave in your will to a person or organisation. There are different types of legacies. The main ones are:

### – Cash Legacy

(sometimes called a Pecuniary Legacy)

A gift of a fixed sum of money. The value of a cash gift will decrease over time, as the cost of living increases. Health care or residential costs in older age may reduce the value of your estate, so you may not know what your estate will be able to afford after you have died.

### – Residuary Legacy

A gift of the remainder of your estate after all other gifts have been made and debts cleared. You may share the residue between a number of beneficiaries.

### – Specific Legacy

A particular named (non monetary) item left as a gift in your will. For example, a piece of jewellery, furniture or a painting.

### – Conditional Legacy

(sometimes called a Contingent Legacy)

A gift in your will that is dependent upon the occurrence of an event which may or may not happen. For example, a gift to a charity which applies only if other beneficiaries named in your will die before you die.

### – Reversionary Legacy

(sometimes called a Life Interest Legacy)

A reversionary legacy enables you to pass your estate (or specific assets of your estate) to named individuals who will benefit throughout their lifetime. Following their deaths, all or some of the estate is then passed to the beneficiaries as specified in the reversionary legacy. For example, property may be left to a spouse for his/her lifetime and then donated to the Trust after his/her death.

## Life Interest Legacy

See Reversionary Legacy (above).

## Mirror Will

A will that contains almost identical terms to your will. Many husbands/wives/partners have mirror wills where they have decided on the same beneficiaries.

## Nil-Rate Band<sup>1</sup>

The amount up to which an estate is tax free. Where the value of an estate exceeds the Nil-Rate Band, only the amount above this value is liable for Inheritance Tax.

## Probate

After your death, your executors must apply for probate. It is granted by the court on the production of the necessary documents. Granting probate proves the will is valid and gives your executors the authority to administer your will and distribute your estate according to your wishes.

## Residue

The total sum of your possessions, property and money left at your death after debts and gifts of fixed sums to beneficiaries have been paid.

## Testate

If you die having made a valid will, you have died testate.

## Testator/Testatrix

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

## Will

A legal document that sets out precisely how you wish your affairs and property to be handled after your death.

<sup>1</sup> For more information on Inheritance Tax thresholds (the Nil Rate-Band), please see our enclosed schedule or visit [www.direct.gov.uk](http://www.direct.gov.uk)

Please remember the  
Animal Care Trust  
in your will.

Thank you.



The Royal Veterinary College  
Animal Care Trust  
Hawkshead Lane  
North Mymms  
Hertfordshire  
AL9 7TA

Telephone 01707 666237  
Fax 01707 666382  
Email [act@rvc.ac.uk](mailto:act@rvc.ac.uk)  
[www.rvc.ac.uk/act](http://www.rvc.ac.uk/act)

Registered Charity  
Number 281571

