

## **GLOSSARY OF TERMS**

**ATTESTATION CLAUSE:** The wording at the end of your Will which records that two witnesses saw you sign the Will in their presence and that they signed the Will as witnesses in your presence.

**BENEFICIARY:** A person or entity who you want to receive rights or benefits under your Will. This could be a family member, a friend or an organisation such as your local hospital or school.

**BEQUEST:** A term used to describe an item left by you to a beneficiary in your Will.

**CIVIL PARTNERSHIP:** A partnership registered under the Civil Partnership Act 2004 and “civil partner” is a person registered as a partner under the Civil Partnership Act 2004.

**CODICIL:** A legal document you would need to prepare to amend your Will. In many cases it will be simpler for you to draft a fresh Will than amend an old one.

**DE FACTO RELATIONSHIP:** Two people living together in an unmarried state and not as civil partners. This includes same sex relationships where there is no civil partnership.

**DEPENDANT(S):** A person (or people) who are reliant on you, depending upon circumstances, this may include a partner or child including adult children, as well as any person whom the Testator had a responsibility to provide for.

**ESTATE:** Means all personal property and real estate owned by you (but excludes any property which you jointly own with another person). If you own an asset jointly with someone else rather than as a tenant in common, then the asset automatically becomes the survivor’s asset. It does not form a part of your Estate.

**EXECUTION:** The act of signing and dating your Will and having it witnessed.

**EXECUTOR:** A person you have named in your Will to execute (or carry out) its directions. (You should speak to your chosen executor(s) first before naming them in your Will).

**GUARDIAN:** The person you name in your Will to look after your children (if they are still minors) or any mentally impaired dependants. (You should speak to your chosen guardian first before naming them in your Will).

**INHERITANCE TAX/IHT:** This is a tax on all the assets held in your Estate on your death and in some cases on gifts made during your lifetime. The IHT rate on death is 40% for the UK tax year 2021 – 2022.

**INHERITANCE TAX THRESHOLD:** This is the threshold above which IHT will normally become due, subject to any applicable reliefs, exemptions or allowances. It is also known as the “nil rate band”. The IHT threshold for the UK tax year 2021 - 22 is £325,000. However, married couples and civil partners are generally allowed to pass their Estates to each other free of IHT and the surviving partner is then allowed to use both tax-free allowances to the extent that the allowance was not used on the first death. This can effectively double the threshold for the surviving spouse or civil partner. To understand your personal IHT position, you may wish to take legal advice.

**INTESTATE/INTESTACY:** You are intestate if you die without leaving a valid Will or if your Will does not dispose entirely of your Estate.

**LEGACY:** Usually a gift of money under a Will.

**MINOR:** A person who is not yet 18 years old and so is not an “adult” under the laws of England & Wales or Northern Ireland.

**PRE-DECEASE:** To die before someone else.

**PROBATE:** From the Latin word meaning “to prove”. The process by which your Executor will work with the

Probate Registry to help to “prove” that your Will is valid, that it is the last one you made and that the Executor has authority to manage your Estate.

**PROBATE REGISTRY:** The Probate Registry is responsible for checking through all applications by your Executor to ensure that they are entitled to act. Where the deceased left a Will, they will also check through the Will to ensure that it is valid. In Northern Ireland the function of the Probate Registry is carried out by the Chancery Office (Probate) of the High Court of Justice in Northern Ireland.

**RESIDUARY ESTATE:** Means the remainder or residue of your Estate after specific gifts, legacies, debts, testamentary, administration and funeral expenses have been paid.

**REVOKED:** When your Will is cancelled. A Will can be revoked as a result of a number of different causes, examples of which are set out later in this kit, such as but not limited to upon the Will being destroyed with the intention it be revoked, being replaced or generally upon remarriage.

**TESTATOR:** The Latin word for a person who creates a Will.

**TRUST:** An arrangement whereby a person (the trustee) holds property “in trust” for someone else (the beneficiary of the trust).

**VALID:** A valid Will is one that has been accepted by a Court and put into effect by a grant of probate. **WILL:** A legal document which sets out your wishes as to the disposal of your Estate and certain other matters on your death.

**WITNESS/ATTESTING WITNESS:** The two adults who sign your Will to testify that it was validly signed, witnessed and declared to be your last Will. You must ensure that none of your beneficiaries or your Executors (or any of their spouses or civil partners) act as your witness as they could automatically lose their entitlements to your Estate.