



A Short Guide to Estate Planning

“A strong estate plan can help to reduce tax, protect your legacy, and ensure that more of your money passes to your loved ones. The decisions can be difficult, but once in place, your estate plan will make things easier for you and your family in later life.”

Did you know that 7 out of 10 adults do not make a will? This can leave a complicated mess for the beneficiaries at a difficult time, and an open invitation for the tax authorities to assist the disposal of the assets.

UK - For those who either live in the UK or hold assets there, in the absence of a will or adequate planning, your estate after your death may be subject to Inheritance Tax and complicated probate disputes. This can be made more confusing and complicated if part of your estate is in other countries where there may be other potential claimants. Estate and Tax planning involves thinking about your home, the value of your investments, including property abroad, and if your UK estate is currently over the nil rate tax band for individuals at £325,000 then it is essential to consider the right tax planning by making gifts or forming trusts to limit tax implications.

Specialist solicitors will advise most clients to make a will particularly if they have children or have just divorced. It is important to remember that if you die without a will:

- A surviving spouse may not necessarily inherit everything
- An unmarried partner has no automatic entitlement
- The children may be unintentionally disinherited.

Many wills are straightforward and simple to prepare, however others are more complex and subject to unique personal circumstances (second marriages, stepchildren, or healthcare needs of surviving family members, etc.) that will need to be considered. If you have a connection with more than one country, then you need to know which country's law will govern who inherits. In addition, each country has its own rules to decide which law applies (known as conflict of laws rules) and the interaction of those rules is often complicated and unclear, making it uncertain who will inherit the estate.

I provide a link to a short guide to Estate Planning: -

<https://www.flipsnack.com/creativeadviser/simmons-a-short-guide-estate-planning/full-view.html>



Brasil & Forced heirship rules

Forced Heirship rules that dictate to whom assets must be left and in what portions.

As you may be aware, Brazil's "Forced Heirship Rules" state that one half of a Brazilian individual's estate must be bequeathed, in equal amounts, to a person's dependents and their surviving spouse. In the absence of any dependents, the estate is divided between ascendants and the surviving spouse. The other half of the estate can be left at the testator's discretion, although distributions made by the testator to heirs prior to their death are treated as 'gifts' for forced Heirship purposes.

In respect of foreign assets, trusts can play an important role in succession planning by providing the "Settlor" (which is you in most cases) with a greater degree of discretion over the distribution of the trust assets.

Most locations in the world can be assessed accurately in inheritance and or tax assessment in the event of death of the owner and it is wise to consider all locations where assets are held.

Once set up, Wills, Trusts and Foundations and indeed beneficiaries need regular appraisal to consider the evolving nature of the nature of estate planning.

Please advise if you have put these affairs in order, a note where this information is held can be registered on your "Nav" account database accessible by your elected trustees or lawyers.

If you haven't yet dealt with this issue and would like to discuss this with the lawyer, I can forward the legal contact details of two to consider.

If you have any questions, please contact me through the usual channels.

Thank you

Chris Simmons