



GLOSSARY OF TERMS

Beneficiary: A person or organisation who benefits from your Will

Bequest: A gift in a Will

Clauses: Sections in your Will that deal with different aspects of your estate and add up to ensure your wishes are honoured

Codicil: An amendment or addition to an existing Will or Codicil. A document adding to or altering the terms of a Will. We recommend getting legal advice from your solicitor whenever you change or amend your Will, even if you use a Codicil form.

Executor: One or more people nominated by the Will maker to take charge of their affairs following their death. This can be a solicitor, trust, branch of a bank or personal contact.

Estate: Value of everything owned by a person who has died, less the value of everything they owed

Index-linked pecuniary legacy: A cash gift which can be linked to the index of retail prices, allowing amounts pledged now to keep their value in line with inflation.

Inheritance tax (IHT): A tax on the value of a person's estate on death and on certain gifts made by an individual during their lifetime. This figure is known as the nil rate band and rises annually. However, UK charities are exempt from IHT.

The IHT threshold is the amount above which IHT becomes payable. If the estate, including any assets held in trust and gifts made within seven years of death, is less than the threshold, no IHT will be due on it. The current threshold is £312,000 (known as the nil-rate band).

Increased threshold for married couples and civil partners: Since October 2007, married couples and registered civil partners can effectively increase the threshold on their estate when the second partner dies - to as much as £624,000 in 2008-09. Their executors or personal representatives must transfer the first spouse or civil partner's unused Inheritance Tax threshold or 'nil rate band' to the second spouse or civil partner when they die.

Gifts to charity however are exempt of inheritance tax and are removed from the total value of your estate before the calculation for inheritance tax.

Intestacy: to have died not having made a Will, or without a valid Will. The administration of the estate is then governed by the provisions of the Administration of Estates Act 1925.

Legator: a man who has died and left a gift to Place2Be in his Will

Legatrix: a woman who has died and left a gift to Place2Be in her Will

Mirror Wills: two separate but identical Wills, usually made by husband and wife, or life partners. Mirror Wills are identical except that each leaves the same gifts to the other, and each names the other as executor. They are made in the same terms each to benefit the

other, with or without other gifts and provisions. Either party can change their mind at any time and make a different Will.

Northern Ireland Law: In most respects, the laws relating to Wills and probate in Northern Ireland are similar to those in England and Wales. Your solicitor will be able to advise you fully of the differences that exist.

Pecuniary gift: a gift of a specific amount of money, e.g. £5,000.

Personal chattels: personal possessions inside one's home which are movable (i.e. paintings, jewellery, furniture).

Probate: the legal process by which your estate is administered – all claims are resolved and your property, cash, etc, is distributed to those outlined in your Will and proved valid.

Probate Registry: Court office dealing with the right to administer the estate and certain connected formalities of a deceased person.

Residuary gift: The residue of an estate is what is left over after payment of the costs and expenses, and also the payment of any cash legacies or specific items that have been left. The whole residue, or a percentage share of the residue, can be left as a gift.

Reversionary gift: where the money left in the Will reverts to the beneficiary (e.g. Place2Be) once a particular event takes place, e.g. once the life tenant in a house has passed away.

Specific gift: A gift of a particular item. For example, a house, a car, a boat, the contents of a specific bank account, or a piece of jewellery, etc.

SCOTTISH LAW

The law in Scotland is different so you must take various points into consideration. We also strongly recommend that you seek the professional advice of a solicitor. Alternatively please get in touch with the [Law Society](#) for more information.

Place2be.org.uk

Patron: HRH The Duchess of Cambridge, a charity registered in England and Wales 1040756 and in Scotland SC038649