

# Guide to making a Will



**British Lung Foundation**

A professionally written Will gives you peace of mind, ensuring that your loved ones and friends are looked after. It can also be an opportunity to include a gift to any organisations or causes that you may have supported throughout your life. This simple guide explains the steps to making a Will.

We understand that making a Will is a very personal matter, but it can be much less daunting than many people think. It is a fairly straightforward thing to do, especially if you use a qualified solicitor to draft your Will or make changes to an existing Will. Making your Will can provide peace of mind because, whatever your circumstances, you can get on with living your life knowing that your wishes will be carried out.

## About the BLF

The British Lung Foundation (BLF) is the only charity working for everyone affected by lung disease. Support is the focus of many of our activities, including our national network of Breathe Easy groups. We help people during the individual challenges that they face. The BLF works in a variety of ways, including funding world-class research and campaigning for positive change in lung health. We also aim to improve treatment, care and support for everyone with a lung condition. If you kindly remember us in your Will, you will help us to continue this work.

## How much does it cost to make a Will?

There is no set cost for a Will, each one is different and so charges can vary depending on individual circumstances and how complicated your affairs are. The BLF cannot recommend any specific solicitors but the Law Society will be able to provide you with a list of local solicitors. Its details are listed below.

Law Society  
(England and Wales)  
Tel: 020 7242 1222  
[www.lawsociety.org.uk](http://www.lawsociety.org.uk)

Law Society of Scotland  
Tel: 0131 226 7411  
[www.lawscot.org.uk](http://www.lawscot.org.uk)

You can make a Will online – visit [www.thewillsite.co.uk](http://www.thewillsite.co.uk) to have your Will drafted by a professional solicitor at a reduced cost.

## Can I make a Will without consulting a solicitor?

While there are ‘home made’ Will products available, we would always recommend the use of a solicitor to draft your Will. The concern with home made Wills is that they can often lead to problems that might be expensive and distressing to resolve. Details might be missed out that could invalidate your Will, or lead to individuals missing out.

Whatever the problems, they may require professional intervention to correct, and they can of course cause distress to all those who are involved.

More information is available from:  
020 7078 7919

## Practical tips for making a Will

To save you time and costs, it is worth considering the following matters

before you visit your solicitor. It will also help you to think about your affairs and those people and causes you might like to include.

### 1. Consider your assets

Type of asset

- Home
- Money in bank/building society accounts
- Shares and other investments
- Insurance/pension
- National Savings/Premium Bonds
- Home contents
- Other savings and assets

**Total assets:**

### 2. Consider your debts and other liabilities

Type of debt

- Outstanding mortgage
- Any credit agreements
- Loans or overdrafts
- Credit card debts
- Any other debts

**Total liabilities:**

### 3. Who do you want to name as executor of your Will?

Up to four individuals can be selected to act as your executor, although it is normal to choose just two.

The job of your executor(s) is to carry out your wishes after your death and to ensure that your estate is fully and properly dealt with. It can be a time-consuming responsibility, so you should consult with them first. An executor can be a friend, a family member or your solicitor.

### 4. Are there any specific items you wish to leave to people?

Known as 'specific legacies', these tend to be specific personal possessions.

### 5. Are there any sums of money you wish to leave to people?

### 6. To whom do you wish to leave the residue (or remainder) of your estate?

Once all the costs and liabilities, and your specific and pecuniary gifts have been taken into account, what is left in your estate is known as the 'residue'.

The residue of your estate can be divided however you like. This is perhaps the most effective type of legacy giving because as your circumstances change, your estate is still divided proportionally among your chosen beneficiaries.

Please do consider leaving a bequest to the BLF in your Will – only with your help can we continue to provide support to people with lung disease and work for positive change in lung health. This is a

great way to help, which doesn't cost you anything in your lifetime.

### 7. Other matters to discuss with your solicitor

It is always important to think about what might happen if one of your chosen beneficiaries passes away before you. Organisations you have named might also cease to exist by the date of your death.

Your solicitor will be able to advise you on how to word your Will so that it includes a 'backstop clause' that considers what to do with these funds. This ensures that no matter what happens, your estate is distributed in the way you intend.

You can also detail your funeral wishes in your Will, ensuring that they are known to your family and friends.

## Frequently asked questions

### If I want to remember the BLF in my Will, what information should I include?

The only necessary details to include are our name, address and registered charity numbers, which are as follows:

British Lung Foundation  
73–75 Goswell Road,  
London EC21V 7ER  
Tel: 020 7688 5555  
Web: [www.lunguk.org](http://www.lunguk.org)

Registered charity numbers:  
326730 (England & Wales)  
SC038415 (Scotland)



"The BLF Nurses are often out in shopping centres taking lung function tests with the public... it's amazing!"  
Breathe Easy group supporter

### How much money do I have to have to make a Will?

It is a common misconception that only wealthy people need to make a Will. By writing a Will you make the administration of your affairs far simpler for those loved ones you leave behind.

### What is inheritance tax?

Inheritance tax (IHT) is normally paid on the estate of someone who has passed away. However, in the vast majority of estates no inheritance tax is incurred.

Like income tax, every estate has an inheritance tax allowance (known as the Nil Rate Band or NRB) and for the 2010/11 tax year this is set at

£325,000. This means that if your net estate is worth less than £325,000 then it will not be liable for IHT.

### How is inheritance tax calculated?

Should your estate be valued at more than the NRB threshold then it will be chargeable for IHT at 40 per cent on everything above the tax-free threshold.

#### Example 1

Net value of estate . . . . .	£350,000
Deduct NRB allowance . . . . .	£325,000
Chargeable for IHT . . . . .	£25,000
IHT calculated at 40% of £25,000 . . . . .	£10,000
Remaining value of estate after IHT . . . . .	£340,000

#### Example 2

Net value of estate . . . . .	£400,000
Deduct NRB allowance . . . . .	£325,000
Chargeable for IHT . . . . .	£75,000
IHT calculated at 40% of £75,000 . . . . .	£30,000
Remaining value of estate after IHT . . . . .	£370,000

Everyone's tax affairs are different, so you should always speak to your solicitor or tax professional if you have any queries about IHT and your estate. There are numerous exemptions depending on who your beneficiaries are and, of course, gifts to charity are exempt from IHT.

For the most up-to-date inheritance tax information please visit:  
[www.hmrc.gov.uk/inheritance-tax](http://www.hmrc.gov.uk/inheritance-tax)

# What happens if I die intestate?

## Are you married?

Yes

No

Your spouse inherits everything

Yes

Is your estate worth less than £250,000 including your home?

No

Your spouse inherits the first £250,000 and life interest in half of the remainder. Your children share the rest

Yes

Are there any children (from current marriage or a previous one)?

No

Your spouse inherits £450,000 and half of the remainder. Your parents share the rest if they survive you, otherwise these relatives share the rest

Yes

Are there any parents?

No

Yes

Are there any brothers, sisters, nephews or nieces?

No

Your spouse inherits everything

Are there any children?

No

Are there any parents?

No

Are there any siblings?

No

Are there any half brothers or sisters?

No

Are there any aunts or uncles (blood relatives)?

No

Your entire estate passes to the crown

Yes

Your estate is shared equally between your children

Yes

Your estate is shared equally between your parents

Yes

Your estate is shared equally between your siblings

Yes

Your estate is shared equally between them

Yes

Your estate is shared equally between them

## Explanation of terms

- **Bequest/legacy**  
Any gift you make in your Will.
- **Codicil**  
The legal term for a document containing any changes or additions you make to your Will.
- **Estate**  
The legal term for the total value of all you own when you die.
- **Executor**  
The person you appoint to see that your wishes are carried out.
- **Grant of Probate**  
A document issued by the Probate Registry after your death confirming that your Will is valid and enforceable. Without this your executors cannot put your Will into effect.
- **Inheritance tax**  
A tax that may or may not be payable according to the value of your estate after your death. Bequests to charities are free from any liability to tax.
- **Intestacy**  
The situation caused by dying without leaving a valid Will. In such cases the question of who is to benefit from your estate is decided by the laws of intestacy and you will have had no say in the matter.

- **Pecuniary legacy**  
A gift of a stated sum of money.
- **Residuary bequest**  
A gift of the whole or part of the residue of your estate.
- **Specific legacy**  
A gift of a specific item.
- **Residue**  
All that remains of your estate after all specific and pecuniary bequests have been made and all taxes, any outstanding debts and administration costs have been paid.



## Changes in inheritance tax

In October 2007 significant changes were made to the legislation dealing with inheritance tax (IHT) by the then Chancellor, Alistair Darling.

The amendments allow an increase in the tax-free threshold (Nil Rate Band – NRB) but only in relation to spouses or civil partners.

Previously each individual's NRB allowance was based on a 'use it or lose it' basis. The recent reforms now allow a surviving spouse/civil partner to benefit from any unused portion of their spouse's allowance.

This is only applicable where the second spouse/civil partner passes away after **9 October 2007**.

For instance, if the first partner passes away and leaves all of their estate to their spouse/civil partner, this gift will be exempt from IHT. This means that they would not have used any of their NRB allowance.

Therefore on the death of the second partner, their estate will have that year's NRB allowance (currently £325,000 for 2010/11) plus additional 100% from their spouse's unused NRB. This has the effect of increasing the tax-free threshold for the second partner to £650,000.

If you have any questions relating to IHT, you should speak to an appropriate solicitor or tax professional.

"Belonging to a Breathe Easy group has helped me come to terms with my lung condition"  
*Breathe Easy group member*



## Next step

We hope that the information in this guide has been of use to you and that you are now ready to either make a Will or make amendments to an existing Will. We at the BLF would be extremely grateful if you could consider leaving the charity a legacy in your Will. It would be very helpful if you could let us know if you do make a pledge, as this will aid our future planning.

Please contact us on 020 7078 7919 if you would like to discuss any aspect of this guide.

Thank you.