

Feeling generous?



Dealing with the loss of a close relative is never an easy process, but for those remembered under a deceased's Will (or who might benefit from their Estate under the intestacy rules if there is no Will) there is at least the small consolation of the inheritance that they might receive in due course from their Estate, which can often be transformative for their personal financial circumstances.

For many, this might allow them to pay down debts or mortgages, move house or fund children's future education moving forwards and the good uses those funds can be put to can be part of a fitting tribute to the person that they have lost.

However, for some people, an inheritance might not always be needed, or even be wanted. In these instances, that beneficiary might consider entering into a deed of variation, which allows them to alter the distribution of their share of the Estate in a tax efficient manner, provided that certain formal criteria are met and that the variation occurs within two years of the date of death.

There can be many reasons for making a variation:

- to secure potential tax savings (which are usually more relevant for an older beneficiary with children of their own that they would like to support instead of themselves);
- to benefit charitable causes or someone else not named in the Will or entitled under the intestacy rules;
- to create a protective trust (rather than pass significant assets to someone to do with as they wish);
- to 'even-up' uneven shares in an estate to take account of gifts made to some but not all of the family members by the deceased during their lifetime;
- to fulfil any of the deceased's wishes that were not formally recorded or that were noted in a letter of wishes; or



- to settle a dispute/claim without the need for prolonged litigation or the involvement of the Court.

How we can help

If this sounds of interest, or you would like some further information or advice about deeds of variation, please do contact Sophie Rowe at sophie.rowe@cripps.co.uk or on +44(0)1892 506 252.



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