



Leaving a legacy to the Historical Dance Society (HDS)

Making your will is a personal, sensitive matter. Your family and friends are going to come first. But once their needs are taken care of, there is a way in your will that you can also remember past pleasures and help future generations to have similar opportunities as well as ensuring the ongoing promotion of research and education in dance.

Generous legacies have enabled the Historical Dance Society to continue its work in promoting education and research in the performance, costume and music of European and other dances from the 12th century to the 19th century. A legacy from you in your will is a very valuable way of supporting our work and can give you confidence that this work will continue and expand.

It is easy to leave a gift in your will

Writing a will is something that many people prefer to put off for another day, but it is a simple and straightforward process. A will gives peace of mind to you and your loved ones and need not be costly.

Without a will the law dictates who inherits your assets and who deals with them. A will is your opportunity to say what you want to happen and who looks after your affairs when you are not able to do it yourself. Even your spouse or civil partner may not inherit everything without a will. If you and your partner are not married or civil partners the law says you are not next of kin to each other. So, at a difficult time they may have to become involved in a long and costly legal wrangle with your next of kin simply to get what you would have wanted and expected them to have.

In a will you can give legacies to dear friends and causes you support which, without a will, they would never receive.

Use a solicitor

You may have a solicitor you already use. If not why not ask a relative or a friend to recommend one. It is not expensive to make a will. Certainly it is good value when set against all the upset and arguments there could be if you do not have a will.

When you have chosen your solicitor what should you think about before you meet him/her?

List the main things that you own – like a house; savings; shares; insurance policies; antiques; jewelry - and roughly what they are worth.

Who will your executor(s) be?

They can be relatives or friends who inherit in your will if you wish, or a professional such as an accountant or solicitor or a combination of these. The executors are very important. It is always best to ask them if they are willing before you appoint them as your executors.

What is the role of your executor(s)?

As an executor, their responsibilities include:

- Ensuring that all the property owned by the deceased person is kept safe and secure, as soon as possible after their death
- Ensuring that any property or items of value are adequately insured
- Collecting and, if appropriate, converting (selling) any assets due to the deceased person's estate
- Paying any outstanding taxes and debts (out of the deceased person's estate)
- Distributing the estate to those who are entitled to it under either the terms of the will or intestacy
- Delivering up your grant of probate if required to by a court.

Legacies

There are 2 forms of legacies:

- *pecuniary legacies* – an exact sum of money set out in your will (eg £5,000). Unless you regularly review the figure specified, it will lose its value over time owing to inflation.

- *residuary legacies* – a part of your estate after all expenses (your debts; tax and for your funeral as well as all the pecuniary legacies) and other gifts have been settled. This is the best kind of legacy to leave to a charity, as you can be sure all the people you care about most are provided for first and foremost and the charity benefits because the gift holds its value over time.

A gift to the Historical Dance Society can be either a pecuniary legacy or a residuary legacy and you decide which to use.

Possible legacy wording

It is entirely a matter for your solicitor but this is a wording your solicitor could write in your will to give a **pecuniary legacy** – it is for illustrative purposes only:

'I give free of tax to the Historical Dance Society, a charity registered in England and Wales (number 270896), the sum of £X for the general purposes of the Historical Dance Society and I declare that the receipt of its Treasurer or other proper officer shall be a full and sufficient discharge. If before my death the above mentioned charity has changed its name or charity number or amalgamated with or transferred all its assets to any other body then my Executors shall give effect to the gift as if it has been made to the body in its changed name or to the body which results from the amalgamation or to which the transfer has been made.

It is entirely a matter for your solicitor but this is a wording your solicitor could write in your will to give a **residuary legacy** – it is for illustrative purposes only:

Subject to the payment of my debts, funeral and testamentary expenses, I give the whole/X% of my estate not otherwise disposed of by this my will to the Historical Dance Society, a charity registered in England and Wales (number 270896) for the general purposes of the Historical Dance Society and I declare that the receipt of its Treasurer or other proper officer shall be a full and sufficient discharge. If before my death the above mentioned charity has changed its name or charity number or amalgamated with or transferred all its assets to any other body then my Executors shall give effect to the gift as if it has been made to the body in its changed name or to the body which results from the amalgamation or to which the transfer has been made.

What happens if the Society does not exist when my will is read?

We have no plans for this happening at present, but things can change over time. We suggest that you cover this possibility in your will by using words such as these:

If before my death HDS has changed its name or charity number or amalgamated with or transferred all its assets to any other body then my Executors shall give effect to the gift as if it has been made to the body in its changed name or to the body which results from the amalgamation or to which the transfer has been made.

Inheritance Tax

You should always seek professional advice in relation to inheritance tax. Remember the Chancellor of the Exchequer can change the tax rules at any time.

These are a few basics correct as at April 2017:

£325,000: the amount you can pass on in your will tax-free. Estates above this amount will pay inheritance tax, unless it is passing to your spouse or civil partner when it is all tax-free.

£650,000: the maximum amount your surviving spouse or civil partner can pass on tax-free, but only if you do not use any of your own tax-free exemption of £325,000 on your death and instead pass on all your assets to your spouse or civil partner.

40% tax rate: This is the amount payable on estates above £325,000. No tax is payable on gifts to your spouse or civil partner.

36% tax rate: This is the amount of tax payable on estates above £325,000 if you have included a gift in your will to charity worth at least 10% of your entire estate.

Remember that no inheritance tax is payable on a legacy to the Historical Dance Society because it is a registered charity.

Note if you die without a will (intestate) the rules are different and this may well affect your inheritance tax position.

Codicils

A codicil is a document used to change a will that has already been made.

It is used as a way to make simple additions or amendments to an existing will like a change in the amount of a gift of money, or the addition of an executor or gift. This is all quite straightforward, but problems can occur if you ever want to cancel the will in the future.

When you cancel a will that contains a codicil, the codicil does not get cancelled automatically, so when you write a new will it can create inconsistencies and legal problems. To avoid this, make sure that any new will clearly states that you are revoking all wills and codicils previously made. Your solicitor will take care to do this.

Probate

When somebody dies leaving a will, their executors will usually need to apply for a grant of probate. Once this is obtained, the executors can deal with the wishes expressed in the will and distribute the gifts that have been left.

If someone dies without a will (intestate) then instead of executors it is the next of kin who will take care of the winding up of your estate. They would take out letters of administration which are the equivalent of probate.

Are your next of kin capable of taking on that job? Would you be happy for them to do it? If you are doubtful you must make a will naming your executors.

Review your will

Throughout your life relationships and friends change. Things that are vital at one time are not so at another. So remember to take your will out from time to time to make sure it does what you want as your life goes by. You may think it does one thing, but find it does not!