

# Legacy Information

## Moretonhampstead Development Trust



### Legacy FAQs

#### What type of legacy most benefits the Trust?

A residuary legacy is the most beneficial because it is not reduced by the rate of inflation. A residuary legacy is when you make a gift of the remainder or part of the remainder of your estate after all other gifts and costs, etc have been deducted. You can leave part of the residue of your estate simply by stating the percentage or fraction of the residue that you would like to be left to the Trust.

#### Can I leave a specific sum of money?

Yes, a specific sum (sometimes called a pecuniary legacy) is the simplest form of legacy. You can speak to your solicitor about protecting the value of your gift by directly linking it to the cost of living, so that it doesn't reduce over time.

#### Can I leave specific items?

Gifts of specific items are very welcome, such as property or land, antiques, equipment, stocks and shares. Simply state this within the wording for a 'specific gift' in your Will. Money released from these gifts will make a significant difference to our work.

#### How often should I update my Will?

Solicitors advise that you should update your Will every few years to make sure that it reflects your changing circumstances, such as through marriage, divorce, or having children.

#### Can I save tax by leaving a gift to charity in my Will?

Yes. A gift in your Will to a registered charity is exempt from Inheritance Tax and is deducted from the value of your estate before taxation. For example, if your estate is worth £10,000 more than the tax threshold (currently £325,000) and, assuming Inheritance Tax is at 40% (its current rate) at the time of your death, there would be Inheritance Tax of £4,000 to be paid out of your estate. But if you made a gift of £10,000, the notional value of your estate would be reduced by that amount and there would be no tax to pay. If you leave 10% or more of the value of your estate to charity then the rate of Inheritance Tax you pay on anything over the taxation threshold reduces from 40% to 36%. But bear in mind Inheritance Tax is subject to frequent change.

#### Isn't this a private matter?

Absolutely, it is entirely up to you if you wish to share the contents of your Will during your lifetime. We will never ask you to tell us your wishes, but if you would like to share your intentions we'd love to hear from you. Knowing in advance gives us the opportunity to extend a huge thank you to you for your invaluable support.

### Glossary of Legacy Related Terms

#### Administrators

The people appointed to sort out your estate according to law in the absence of executors, and usually in the absence of a Will. They will often be your next of kin.

#### Beneficiary or legatee

The individual(s) or organisation(s) you have nominated to receive gifts in your Will.

#### Chattels and movables

These are all of your personal possessions, i.e., car, furniture, jewellery, etc.

#### Codicil

An instruction which amends a previous Will rather than replacing it.

#### Crown or Treasury

The tax office. If you leave no Will or have no relatives, the Crown or Treasury will receive your estate.

#### Estate

Everything you own at the time of your death.

#### Executor

The person(s) appointed by you, in your Will, to look after your affairs and ensure that your wishes are carried out. It is wise to appoint two executors in case one is unable to act for you for any reason.

#### Intestate and Intestacy

If you die without having made a valid Will, the law declares you to be intestate. Intestacy is the term used to describe the situation.

#### Legacy

A gift or gifts offered in your Will or Codicils.

#### Pecuniary Bequest

A specific sum of money or item that you wish to gift.

#### Probate

The legal procedure to establish the title of your Executors to administer your estate.

#### Residue

The remainder of your estate once all debts, costs and gifts have been deducted.

#### Testator or Testatrix

The person making the Will – you.

# Suggested Wording for your Will

There are several ways in which you can leave a lasting gift to the Trust.

## Residuary Gifts

When you make a gift of a percentage or fraction of the remainder of your estate once all other gifts, costs, etc have been deducted. This can be as little as 1% or as much as 100%. Every gift, no matter what the size, makes a big difference.

*"I give to Moretonhampstead Development Trust, Green Hill, Fore St, Moretonhampstead, Newton Abbot, TQ13 8LL, United Kingdom (Registered Charity Number 1105114) \_\_\_\_\_ (1% - 100%, or stated portion) of the residue of my estate for its general purposes and I further direct that the receipt of the Honorary Treasurer or other proper officer of the Moretonhampstead Development Trust for the time being shall be a full and sufficient discharge for the said legacy."*

## Specific Gifts

When you make a gift of a specific item such as a property or other items.

*"I give to Moretonhampstead Development Trust, Green Hill, Fore St, Moretonhampstead, Newton Abbot, TQ13 8LL, United Kingdom (Registered Charity Number 1105114) my \_\_\_\_\_ for its general purposes and I further direct that the receipt of the Honorary Treasurer or other proper officer of Moretonhampstead Development Trust for the time being shall be a full and sufficient discharge for the said legacy."*

## Cash Gifts

When you make a gift of a specific sum of money. You can speak to your solicitor about protecting the value of your gift by directly linking it to the cost of living, so that it doesn't reduce over time.

*"I give to Moretonhampstead Development Trust, Green Hill, Fore St, Moretonhampstead, Newton Abbot, TQ13 8LL, United Kingdom (Registered Charity Number 1105114) the sum of £\_\_\_\_\_ for its general purposes and I further direct that the receipt of the Honorary Treasurer or other proper officer of Moretonhampstead Development Trust for the time being shall be a full and sufficient discharge for the said legacy."*

## Reversionary Gifts

A reversionary gift covers those occasions when you provide for your spouse or friend for their lifetime, giving them the use of a home or other asset, with the capital passing, after death, to your selected charity. Your solicitor will advise you on the information you need to include to ensure that the Trust will receive your gift after any lifetime benefits given to others.

# Supporting a specific part of the work of the Trust

If you wish your legacy to be used to support a specific part of the work of the Trust, we suggest you consider the following areas of Trust activity:

- Environmental and climate sustainability
- Supporting local economy and facilities
- Supporting local arts and crafts
- Health and wellbeing
- Affordable housing

In your Will, add the following words to the end, *"and I request that the same be used ideally to further Trust work on \_\_\_\_\_"*

If you have any questions that are not covered here, please do not hesitate to contact us:

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