

Legacy Terminology

During the legacy process, it's likely that you will come across unfamiliar legal jargon. To make things easier for you, we have put together a list of terms and what they mean.

Administrator: A person/organisation appointed by law to settle your affairs in the event of there not being a valid Will.

Assets: All that is worth something, such as money, shares, property, vehicles, antiques, etc..

Beneficiaries: Anyone who receives a gift from a Will such as loved ones, organisations and charities who benefit under the terms of the Will. Beneficiaries can also be referred to as legatees.

Bequest: Gift in a Will.

Codicil: A legal document adding to, or altering, an existing Will. A codicil is used where only a minor change is needed and there is no need to make a new Will. This will appear as an appendix and will need to be signed, dated and kept with the original Will.

Conditional: A gift conditional upon a certain event taking place.

Distribution: Giving out estate property to beneficiaries.

Estate: The total value of everything the person owned at the time of death, minus any outstanding debts.

Executor: This is the person or people chosen to make sure the terms of the Will are carried out. They can be professional (such as a solicitor or Will writer), or friends or relatives. It is usual to appoint two people, but there can be a maximum of four. Executors can also benefit under the terms of the Will.

Guardian: Person(s) appointed under the terms of a Will to have physical custody of any minor child(ren).

Inheritance Tax: This is payable if the estate exceeds the current tax threshold. It can be reduced by leaving a legacy to a charity.

Interest: A right, share or claim.

Intestacy: Distributing the estate of a person who has left no valid Will.

Joint Tenancy: A way of owning property jointly where on death of one joint owner, their share passes automatically to the other joint owner(s).

Lay executor: A non-professionally qualified executor for example an individual related to the deceased (see executor above).

Legacy: A gift, or bequest in a Will.

Different types of legacy gifts

- **Discretionary:** A gift that allows the executors or trustees to choose who will benefit under the Will.
- **Pecuniary:** A gift of money.
- **Residuary:** A percentage of the estate after all other legacies, tax debts and costs have been paid.
- **Reversionary:** A gift to someone for their lifetime and after their death to someone else or a charity.
- **Specific:** A gift which is identified e.g. house, car, jewellery etc.

Legator: A person who is deceased and has left part of or all of their estate to their loved ones or causes that they care about.

Liabilities: This refers to money owed, such as debts or a mortgage.

Life interest: Right to enjoy property, or income from investments, until death.

Life tenant: A person entitled to a life interest.

Probate: The legal process whereby a Will is “proved” in a court and accepted as a valid public document that is the true last testament of the deceased. Once probate is granted (known as Confirmation in Scotland) the executor can distribute the proceeds from the deceased’s estate to the beneficiaries.

Property: Something of value, either that you can touch such as house or car, or that you can’t such as copyrights.

Solicitor: A professional person who meets the standards set by the Law Society and is qualified to undertake legal work including Wills and Probate. Solicitors are regulated by the Law Society.

Survivorship, right of: Right of one joint owner to jointly owned property once the other joint owner is deceased.

Testator (Male)/Testatrix (Female): The person making the Will.

Trust: An arrangement in the Will to have the assets managed and used after the persons death.

Trustees: Those appointed to administer and manage any trust the person set up.

Witnesses: Two people must be present when the person signs their Will. They may not benefit under the terms of the Will, and neither can their spouses.