

Financial security

Losing a loved one is greatest fear in retirement

It's understandable that parents and grandparents want to pass their wealth on to the next generations and by making a will we can decide what happens to our property and possessions after our death. Although you do not have to make one by law, it is the best way to make sure your estate is passed on to family and friends exactly as you wish. If you die without a will, your assets may be distributed according to the law rather than your wishes.

A complicated and costly process

Dying without one can create a complicated and costly process, possibly causing family rifts and further problems for those left behind. A third (32 per cent) of retired Britons declared that losing a partner, loved one or close friend is their greatest fear in retirement, according to research from Standard Life.

The savings and investment specialist Standard Life is using the research to encourage the public to consider their estate planning requirements, including the creation of a will, so they can ensure their loved ones are financially secure after their death.

A legally binding will

Standard Life is highlighting to the public they should seek professional advice as the legislation associated with passing on wealth is very complicated and the rules between married and civil partnered couples does not apply to cohabiting couples or close friends. The simplest way for individuals to ensure their estate is paid to the right people is to create a legally binding will - previous research from Standard Life showed that as little as 48 per cent¹ of the people in the UK have a will in place.

Further results from the research shows in light of the current inflationary pressures the public is facing, the rising cost of living (20 per cent) is the retired population's country's second worst fear in retirement and worries about getting returns on their savings and investments (11 per cent) coming in third for those surveyed.

Serious financial impact

Regardless of an individual's age losing a loved one can have a serious financial impact, but this problem is accentuated in retirement. And while married and civil partner couples benefit from the spousal inheritance tax exemption and the transferable nil rate band, cohabiting couples or close friends don't.

The complications of dying without a will can be devastating on others and this is made even worse when going through the heartache of personal loss. Seeking the right advice when creating a will ensures loved ones will be financially secure and that their wealth is passed on correctly.

The research also shows that nearly half (47 per cent) of the UK want to leave an inheritance to their children, with a tenth (11 per cent) directing it to their grandchildren.

PLEASE CONTACT US FOR FURTHER INFORMATION.

Laws and tax rules may change in the future. The information here is based on our experts' understanding of the current situation.

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