

WITHOUT A WILL? - IS THERE A WAY?



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We all like to be in control of our own finances and assets, yet determining what happens to our possessions after we die can be tough to think about. A recent survey commissioned in New Zealand reportedly found that half of our population above the age of 25 are without a will. The absurdity being that an up-to-date will is the easiest and most effective way to ensure your wishes are carried out in event of death.

WHAT HAPPENS IF YOU DON'T HAVE A WILL?

Estates can be administered without a will, but it is more complicated, slower and expensive. In New Zealand estates are distributed in accordance with a set formula outlined in the Administration Act. It could be unlikely that the end result will comply with your wishes.

For example, if you are married or in a de facto relationship, you might wish to leave the whole or majority of your estate to your significant other. If you die intestate, however, the law follows that set proportions of your estate are to be shared between your partner and children. It is important to note too, that you cannot leave specific items to specific people without a will. In the worst case scenario your estate could end up with the Crown, if no living relatives can be traced.

THE RISKS OF AN OUT-OF-DATE WILL

It is just as important to review your

will so it reflects your present day intentions. Consider the following scenario:

Bob separates from his wife Susan and moves in with Mary. They live happily together for three years. Tragically, Bob dies in a car crash at the young age of 43. Unfortunately Bob didn't find the time to update his will despite agreeing to provide for Mary in the event of death. To her horror, Mary finds that Susan is the executor of his will and he has left everything to his children. Mary has to spend large sums of money on legal fees and taking time off work to apply to the Courts to obtain a share in the estate. Bob's kids take unkindly to Mary 'contesting' the estate, ending the once great relationship they shared.

The sad reality is that approximately 30 minutes of Bob's time in his lawyer's office could have spared this hassle. Don't leave it until you start to lose your marbles or are about to leave the country before realising that creating or updating or existing will ensure your wishes are carried out and prevent a great amount of stress, time and money for your loved ones.

If you have any queries about wills and estates, please do not hesitate to contact the Collins & May Team.

20 MINUTE FREE

**WANT to review your Family Trust structure?
THEN call us and take advantage of our 20 Minute Free interview**