Practical planning for later life

Practical planning for later life – presentation content

- LPAs for personal and business use
- Care fee, inheritance tax and vulnerable beneficiary planning by will
- A couple of practice points

Practical planning for later life

- **Lasting powers of attorney**
  - Property and affairs (discretionary managed funds provision)
  - Personal welfare (including healthcare decisions)

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- Business LPAs
  - Different considerations (do articles etc. allow)
  - Consider supplementary guidance for the attorneys
  - Different attorneys (avoid spouse?)
  - Registration of LPAs

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- Will Planning
- General concerns of clients are:
  - The cost of care
  - The impact of inheritance tax
  - Vulnerable beneficiaries
  - How far can you go to exclude someone?

Care fee planning

- Do NOT give assets away either outright or by lifetime trust. Remember deliberate deprivation rules
- Use rights of occupation and life interest trust wills to preserve part of the estate
- Second marriage considerations

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- Inheritance tax planning
- The use of flexible life interest trust (FLIT) is a more flexible arrangement than outright bequests, protecting spouse and children. It postpones a decision until a point where we can assess the liability with greater certainty

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- Vulnerable beneficiaries
- The impact of bequests on state entitlement (including the provision of residential care)
- The benefits of the discretionary trust arrangement

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- Excluding beneficiaries
  - Grounds for challenge
    - Lack of testamentary capacity
    - Undue influence
    - Inadequate provision under the I(PFD)A 1975 or intestacy (can be brought by a Local Authority)

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- **Practice points**
  - RNRB
    - Do not include age contingencies for minor beneficiaries
    - The exemption for disabled beneficiary trusts

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- Trusts of properties
  - Declarations of trust
  - Rights of occupation and life interests
  - Severance of joint tenancy
  - Stamp duty on second houses

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- Get the "full picture" from the clients
- Diarise deadlines
- Keep a paper trail
- Keep up to date with changes in legislation
- Encourage professionals to work together

Practical planning in later life

Any questions?

- Corporate and Business
- Commercial Property
- Insolvency
- Dispute Resolution
- Alternative Dispute Resolution
- Debt Recovery
- Employment
- Banking and Finance
- Family Law
- Residential Property
- Wills, Trusts and Probate
- Personal Injury
- Information Technology
- Intellectual Property