





# LightYear Docs Wills


What is a Will, how can you do a Will legally and how to do on LightYear Docs with new features



*“If you die without a Will, you die intestate and all of your worldly assets are to be divided up according to each State’s intestacy laws. Generally it goes to the spouse, de facto, children and then parents – depending on who is alive. There are formulas in each state on who gets what but the big problem is the administration of the intestate estate is usually done by the Public Trustee and can cost many thousands of dollars.*



*So it is important to complete a Will and ideally at the same time an Enduring Power of Attorney. Also be mindful of who is in and who is out and the potential for a family provisions claim.*



# Key Terms

- **Will** – a legally valid document that details how a deceased's estate is to be distributed amongst their family and charities
- **Executor** – the person who administers the management of the deceased's estate
- **Administrator** – if there is no Executor and generally the Public Trustee
- **Beneficiary** – a person designated to receive a gift (known as a bequest) from the deceased
- **Probate** – the Executor applies to the Supreme Court to prove the Will is the last Will and Testament of the deceased
- **Initial Administration** – Once probate is approved the Executor will pay off any debts, pay taxes, funeral expenses and do all things necessary to get the estate in order for payments

# Key Terms



- **Specific Gifts** – these are the most important and are to be paid first by the Executor
- **Residual Estate** – what is left over after the payment of the specific gifts
- **Main or Principal Beneficiary** – After the specific gifts one or more principal beneficiaries are to take the remainder of the estate
- **Secondary Beneficiary** – a person designated to receive the remainder of the estate in the event that there is no Principal Beneficiary
- **Renunciation** – the beneficiary renounces their entitlement for tax or social security reasons
- **Testamentary Trust** – a trust established out of the Will by the Executor to hold a specific gift or part/whole of the residual estate for beneficiaries nominated as beneficiaries of the trust. Need a trustee which is usually the Executor.

# Basic Case Study



- John Smith is aged 65 and has a house which is jointly owned with his wife Sally Smith
- John has a property portfolio of \$1M
- He has two children and one step child who he does not get along with
- John would like Sally to receive \$100,000 and his super of \$650,000
- The remainder is to be held for his two children Max and Nancy and his bloodline grandchildren
- His step child Nathan is a drug addict and has stolen from John and Sally and he is to get nothing from the estate





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