



DEED OF VARIATION PLAN FOR A DECEASED SPOUSE

ACTION OF THE DEED OF VARIATION

The Deed of Variation will redirect the desired assets into a Discretionary Trust (if varying into the Trust). **In executing this Deed the existing Beneficiary must understand that they are giving up their absolute right to their inheritance** and future distributions will be at the discretion of the Trustees.

Title

Full name of the deceased

Relationship to Settlor

Date of death

Settlor Details

IMPORTANT Is the client UK domiciled for IHT purposes?

Yes

No

Title

Full name

Address

Relationship to Settlor

Postcode

Tel.

Date of birth

Email address

TRUSTEES

We suggest you look to having a minimum of three Trustees and preferably four. Family members over the age of 18, peers or family friends are typically used.

Overseas Trustees - Please note that appointing an overseas resident as Trustee may have tax or reporting consequences, and you should take local advice based on current taxation laws as to any adverse tax implications, or reporting requirements, of being a Trustee.

Trustee 1 (if the Settlor, please write Settlor as full name)

Title

Full name

Address

Date of birth

Postcode

Trustee 2 (compulsory)

Title

Full name

Address

Date of birth

Postcode

Relationship to Settlor

Trustee 3 (recommended)

Title

Full name

Address

Date of birth

Postcode

Relationship to Settlor

Trustee 4 (optional)

Title

Full name

Address

Date of birth

Postcode

Relationship to Settlor

Please select the 'Lead Trustee'?

Trustee 1

Trustee 2

Trustee 3

Trustee 4

NI Number

Tel.

Country of
nationality

UK

Other

D.O.B.

Trust Property - Nil Rate Band Deed of Variation

Please complete instructions for DoV

Please confirm the following documents are included with the application:

Copy of the Deceased's Will

Copy of the Death Certificate

Copy of the Grant of Probate (if applicable)

IHT Form or Estate Accounts (if applicable)

Please confirm how much of the deceased's Nil Rate Band allowance is available

£

Please note that the value of assets gifted via the Deed of Variation will use the deceased's Nil Rate Band, so there will no longer be a transferable allowance to the surviving spouse.

Please confirm whether the RNRB allowance has been transferred to the surviving spouse or whether it has been claimed?

Transferred to surviving spouse

Claimed by the Executors for the qualifying descendent

The deceased didn't qualify for the allowance

Please confirm if the whole of the Settlor's interest in the deceased's estate is being varied or if a partial variation is to be made. Please provide details of entire interest received and what is to be varied, including values.

Entire Interest (up to NRB)

OR

Part Interest

Description of assets

Please note that more than one box can be selected.

Property

Liquid Cash

Investments

Asset(s) Description	Value of Asset(s)	Inherited by Will or survivorship

If the asset is property:

Has the property been retained?

Has the property been sold?

Has a replacement property been bought with sale proceeds?

If property is to be dealt with and Land Registry services are required, please note that there will be an additional cost for these services.

TRUST BENEFICIARIES

The Trust to be drafted will be a Discretionary Trust; the Beneficiaries under the Trust are discretionary Beneficiaries. With a Discretionary Trust, the **Trustees decide** the detail of **who** benefits from the Trust, and **when** they benefit.

The following classes will be potential Beneficiaries in all trusts drafted unless the client wishes to exclude them. Please add to these classes of Beneficiaries as required.

Spouse of the deceased

Children of the Settlor

Grandchildren of the Settlor

Further Beneficiaries

Select the following boxes **ONLY** if the beneficiaries are to be **INCLUDED**.

If there is only one person within a class e.g. one brother, then this person must be named in full.

Please give full names and addresses below. Not providing these details may result in drafting errors.

Brothers/sisters

Nephews/nieces

Parents

Friend

Details of further Beneficiaries

DATA PROTECTION STATEMENT

Solidus IEP Ltd ("**Solidus**") is totally committed to full compliance with the requirements of the General Data Protection Regulations ("**GDPR**") and the Data Protection Act and will follow procedures which aim to ensure that all employees and legal and professional partners, who have access to any personal data held by or on behalf of Solidus, are fully aware of and abide by their duties under GDPR.

Solidus, in respect of its business purpose, needs to collect and use information from Licensees and their referred clients in order to operate and carry out its function. This information is handled and dealt with properly however it is collected, recorded and used and whether it is held on paper or within computer data records.

CLIENT AUTHORISATION

I hereby instruct Solidus to draft the relevant documentation and acknowledge that Solidus will instruct their legal partners to review the drafted documentation. I agree to pay the costs even if I fail to complete the planning.

For the purpose of compliance with Data Protection Laws, I consent to Solidus holding my personal details, together with those of all parties named in my planning. These details will only be used by Solidus for the purpose of this planning and will never be sold to or shared with third parties for the purpose of marketing.

Following the completion of this planning, I authorise Solidus or their legal partners to contact me directly if there is a requirement which I, or the Trustees, need to be made aware of.

Print Name

Signature

Date

ADVISER'S CONFIRMATION

As the Financial Adviser to the above Client(s) I understand that I am responsible for the advice, signing and witnessing of the documentation.

I agree to all aspects of the planning being reviewed by Solidus' legal partners if required.

Please prepare the documentation under existing law and I accept Solidus' Terms of Engagement which are available in the Licensee area of their Website.

Sending this application form via email, with or without signature, also constitutes my agreement to the above terms.

Print Name

Signature

Date

DOCUMENT STORAGE

If the client would like to use our secure storage service please indicate below.

Storage

8 years

Storage not required

DEED OF VARIATION PLAN FOR A DECEASED SPOUSE

If a married individual dies intestate or without protective planning in place, it is usually possible to deliver benefits to the surviving spouse by means of a Deed of Variation. The planning works by varying the client's interest in the Will, intestacy or survivorship to make an inheritance tax effective gift to Trust. It must be carried out within two years of the date of death of the individual. Specific advice must be taken regarding situations such as local authorities and divorces etc.

The Deed of Variation solution is an increasingly popular planning solution for many families who have been unable to establish lifetime planning.

It should be noted that, if the Will includes residual gifts to minors, retrospective planning may not be possible.

The key advantages of the planning include:

- Potential protection of the inherited assets from third party claims.
- Funds can be retained within the Trust for the duration of the 125 year perpetuity period providing long term legacy benefits for future generations.
- Generational inheritance tax benefits may be achieved.

Planning must be completed within a strict **two year period from the date of death** of the individual.

Instructions

- Ensure that it is within two years of the date of death.
- Confirm with the client that they understand the benefits and that they are giving up their absolute right to their varied inheritance. Confirm the client has read the tax considerations on page 3.
- Include a copy of the death certificate, Grant of Probate (if applicable), copy of the Will and the IHT form 205 or 400 (if applicable) and confirm what variation is required and the value to be varied. Contact Solidus if you need guidance.
- Complete the Settlor, Trustees and Beneficiaries details **in full**.
- We suggest you look to having a minimum of three trustees and preferably four, however this is not a legal requirement.
- The client must read and sign the instructions.
- Countersign as the Adviser.
- Provide the required anti-money laundering for the Settlor.

Please return this application to:

By post:

Solidus IEP Ltd, Premier House, 1-5
Argyle Way, Stevenage, SG1 2AD

By email:

applications@solidustrusts.co.uk

Please note if the application is not fully and clearly completed it may cause delays.

Tax Considerations

In executing a Deed of Variation (**DoV**), you must recognise that you are giving up your absolute right to the assets you were due to inherit, in favour of a discretionary Trust. You may be listed as a beneficiary of the DoV Trust but any distribution you receive will be at the Trustees' discretion.

Inheritance Tax (IHT)

The Deed of Variation has been designed to take advantage of specific legislation that allows for the retrospective amendments to the distribution of the deceased's estate.

Under these provisions, the variation is treated as having been made by the deceased and is effective from the date of their death, rather than being made by you as the original beneficiary.

This means that for IHT purposes, the assets varied by the DoV do not need to be considered as ever having entered your estate.

Capital Gains Tax (CGT)

The Deed will also be drafted to take advantage of legislation allowing for retrospective amendments for CGT purposes.

Again, this means that, for CGT purposes, the assets varied by the DoV will be deemed to have passed directly from the deceased to the DoV Trust on the date of their death.

Occasionally, there may be circumstances where this retrospective treatment for CGT is not advantageous. For instance, if the assets have achieved a large capital gain or loss between the date of death and the date the Deed is executed.

If this applies to you, please ensure you have discussed the implications with your Financial Advisor and let us know if you would prefer not to elect for retrospective treatment of the variation for CGT.

Income Tax

It must be noted that this retrospective taxation treatment only applies to IHT and CGT. For Income Tax purposes, the DoV would only be effective from the date it was executed.

Therefore, you as the original Beneficiary, would be assessed on any income from the assets from the date of death to the DoV and the new Beneficiary (the Trust) would be assessed on any income from the assets after the variation.

For Income Tax purposes, as the person who is varying your interest in the inheritance, you would be considered the Settlor of the DoV Trust.

This means that if you or a minor child are Beneficiaries of the DoV Trust then you must consider the income tax anti-avoidance provisions.

These provisions mean that you will be liable for paying any income tax arising on the trust assets if you, your spouse or civil partner retain an interest in the Trust or if income payments are made to any unmarried children or step-children under the age of 18.

If you believe you may be caught under these provisions, please discuss with your Financial Adviser before executing the Deed of Variation and seek appropriate advice e.g. from an accountant.