

Leaving a legacy in your will to the BABCP Research Fund

If you die without having made a will, the law will determine how your estate is divided. No consideration will be made of your wishes or for avoiding inheritance tax. If you are married with children, it is divided in a strict formula between your spouse and your children. If you are not married, it gets quite complicated. Your estate will be divided up between certain relatives. It may also be important for you to specify guardianship arrangements for your children if you are single, or both you and your partner die at the same time. Making a will is very easy if you use a standard form downloaded from the Internet. More complicated wills will require a solicitor or professional will writer but need not be unduly expensive. First, you will need to make an estimate of what your estate will be worth on death. Second, you will need to appoint two executors who will administer your estate after your death. Third, you will need to sign the will or a codicil in the presence of two witnesses, but neither they nor their spouses should benefit from it any way.

On your death, inheritance tax will be taken from all that you own above the threshold amount. In the UK, the current nil rate band is £325,000 and the rate of tax is 40 per cent. A gift to a registered charity, however, is always free from inheritance tax. If you give 10 per cent of your estate to charity, then currently your inheritance tax is reduced from 40 to 36 per cent. A legacy to the BABCP Research Fund or any other charity, then, could significantly reduce any inheritance tax payable to the Government.

There are three ways you can leave a legacy to the BABCP Research Fund in your will:

- **Pecuniary legacy** - This is when you choose to leave a gift of a fixed amount of money.
- **Residuary legacy** - This is when you choose to leave a percentage, or the whole, of what is left of your estate once your loved ones or other charities have been provided for.
- **Codicil** - You can choose this option if you already have a will.

The correct wording for each type of legacy is shown below:

For a pecuniary legacy

'I give free of inheritance tax £ (insert amount here) to the British Association for Behavioural and Cognitive Psychotherapies, Charity No. 1098704, (Imperial House, Hornby Street, Bury, Lancashire BL9 5BN) to be applied by BABCP for its Research Fund. I declare that the receipt of the Treasurer or other proper officer for the time being shall be a sufficient discharge to my executors.'

For a residual legacy

'I give (insert the percentage here) % of the residue of my estate absolutely, to be applied by the British Association for Behavioural and Cognitive Psychotherapies Research Fund, Charity No. 1098704, (Imperial House, Hornby Street, Bury, Lancashire BL9 5BN) for its Research Fund. I declare that the receipt in writing of the Treasurer or other proper officer of the charity for the time being shall be sufficient discharge to my executors.'

For a codicil

If you already have written a will but would like to leave a legacy to BABCP, you would need to write a 'codicil'. This is a separate document that is kept with your will and witnessed in the same way. Again you will need to sign the will or a codicil in the presence of two witnesses, but neither they nor their spouses should benefit from it any way.

An example of a codicil

'I, (your full name) of (your full address, including postcode) declare this to be (first, second, or appropriate number) Codicil to the will I made on the date (in words). In addition to any bequests of legacies in my said Will, I give free of inheritance tax £ (insert amount here) to the British Association for Behavioural and Cognitive Psychotherapies, Charity No. 1098704, (Imperial House, Hornby Street, Bury, Lancashire BL9 5BN) to be applied by BABCP for its Research Fund. I declare that the receipt of the Treasurer or other proper officer for the time being shall be a sufficient discharge to my executors.'

Lastly make sure your executors know where to find your will!

Further advice on leaving a legacy to charity can be found online at www.rememberacharity.org.uk