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Is a DIY Will kit enough?

More than 50% of Australians don't have a valid Will. If you die without one, your hard-earned wealth (your estate) will be distributed according to the rules of intestacy – a government-determined formula. That may not divide your estate as you would like, and if your family consists only of distant relatives your assets could end up enriching your state government's coffers.

If that's convinced you that a Will is a good idea, how do you go about making one? There are three main options:

Engage a solicitor

Using a solicitor to prepare your Will, particularly one who specialises in estate planning, is most likely to deliver the desired result. If your situation calls for anything more than the most basic of Wills, for example if there is a family business, disabled dependents, or complex family or financial structures, an estate planning lawyer will be able

to provide advice on how to best structure your Will.

The downside is the upfront cost. This can range from a few hundred dollars for a straightforward Will to several thousand dollars where the situation is more complicated.

Use a trust company

There are public or state trustees in each state and territory, as well as a number of private trustee companies. They are specialists in preparing Wills and can also act as the executor of an estate. A private trustee will charge a few hundred dollars to prepare a Will, and the estate will be charged a fee when the trustee performs the role of executor. Some public trustees will waive the fee to prepare or update a Will if they also act as the executor.

Do it yourself

Will kits are available from newsagents, post offices, the Internet and other

sources. Doing it yourself certainly appears to be the cheapest option, but if something goes wrong, the cost of putting things right may dwarf the initial savings.

Common problems with DIY Wills include:

- Ambiguous wording that may need to be ruled on by a court. Fixing this can cost big dollars.
- The Will is not properly signed or witnessed. This can invalidate the Will.
- The Will covers only part of the estate. The remainder will be dealt with under the rules of intestacy (ie. your state government decides).
- The Will contains unenforceable or unreasonable conditions, such as leaving out a gift to an entitled beneficiary. This can also lead to expensive legal bills.
- Business ownership issues may be overlooked or not properly addressed.

Involve your financial planner

Your financial planner can't prepare a Will, but as the professional most likely to have a detailed overview of your financial and personal circumstances, he or she is often the person best equipped to identify estate planning issues, and to brief your estate planning lawyer.

Your adviser may also be able to refer you to an estate planning expert, and work with them to create a Will that will deliver a smooth transfer of wealth at a

time of great personal distress for your loved ones.

So come discuss with us your estate planning needs.

Sources:

Wills and Powers of Attorney
www.asic.gov.au

Wills Frequently Asked Questions:
<http://www.tag.nsw.gov.au/wills-faqs.html>

In this article we have not taken into account any particular person's objectives, financial situation or needs. You should, before acting on this information, consider the appropriateness of this information having regard to your personal objectives, financial situation or needs. We recommend you obtain financial advice specific to your situation before making any financial investment or insurance decision.

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