



Estate Planning Essentials

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Insurance

Financial Planning

Retirement

Investments

Wealth

What is Estate Planning ???



Estate Planning involves your clients decisions regarding what happens to their assets and liabilities *during their lifetime, as well as after death.*

In this world
nothing can be
said to be
certain, except
death and taxes.

- Benjamin
Franklin

Why is it necessary?



- ❖ The Will is not feasible
- ❖ There is a lack of cash in the estate
- ❖ Assets have to be sold due to liquidity shortfalls
- ❖ Unnecessary estate duty and CGT have to be paid
- ❖ Heirs may be at a disadvantage
- ❖ Wishes of the deceased are not feasible
- ❖ Value of a practice or business interests is lost to the estate because there are no buyers at market value



What Does an Estate Plan Entail?



- ❖ Practical and legal feasibility of the client's wishes
- ❖ Lowest possible estate duty
- ❖ Provision for dependents
- ❖ Saving on Executor's fees
- ❖ Utilization of allowable tax rebates
- ❖ Structuring of business succession plans
- ❖ Protection of minors and non-eligible heirs
- ❖ Curbing estate growth

Opportunities



“Forget about estate duty, focus on your family”

Matthew Lester



- ❖ Maintenance for minors
- ❖ Maintenance for surviving spouse
- ❖ Extended family

Opportunities



3. Marital status / Huwelikstaat

Married Getroud	In community of property In gemeenskap van goedere			
Married Getroud	Out of community of property Buite gemeenskap van goedere	Without accrual Sonder aanwas		With accrual Met aanwas
Divorced Geskei	Never married Nooit getroud	Widower Wewenaar		Widow Weduwee
	Aanspreeklik vir onderhoud/ Liable for maintenance			

❖ Asset
❖ Liability

Opportunities



Never married.....**SPOUSE**

“In relation to any deceased person, includes a person who at the time of death of such deceased person was the partner of such person-

- a) in a marriage or customary union recognised in terms of the laws of the Republic;
- b) in union recognised as a marriage in accordance with the tenets of any religion; or
- c) in a same-sex or heterosexual union which the Commissioner is satisfied is intended to be permanent.

Provided that a marriage or union contemplated in par (b) or (c) shall, in the absence of proof to the contrary, be deemed as to be a marriage or union “without community of property.”

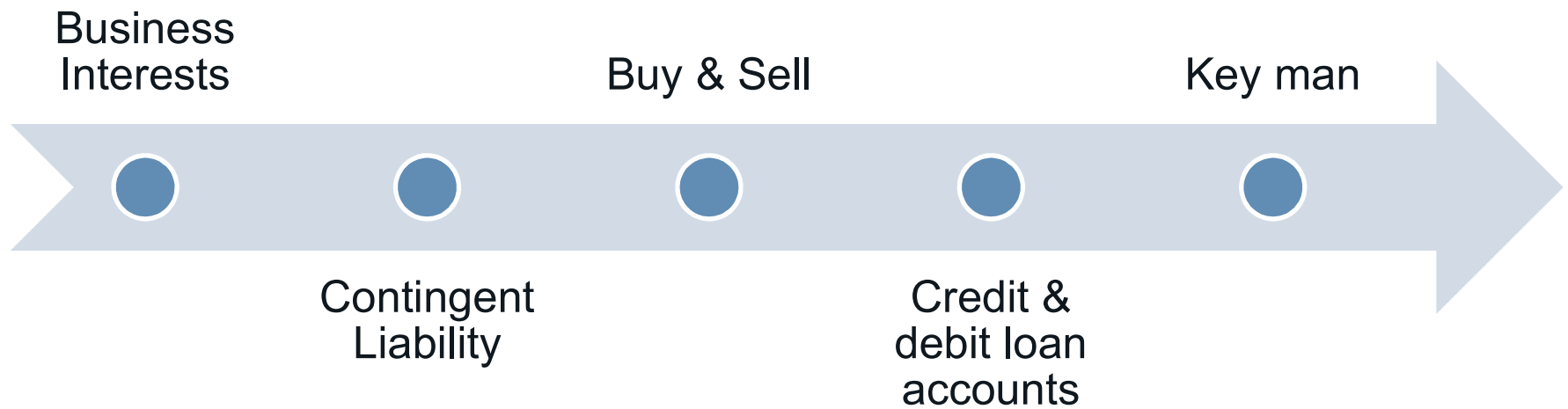
Opportunities



Is it Rehabilitative ??

Maintenance for minors?

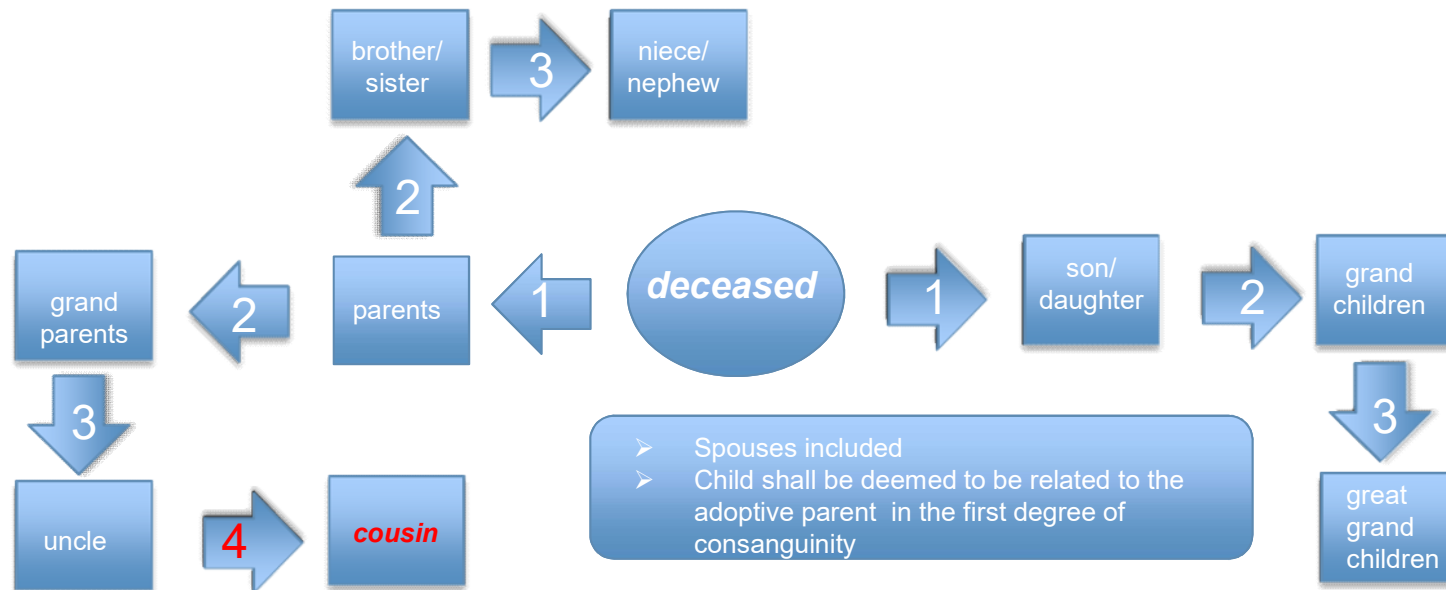
Opportunities



Family Owned Business....



Relative in relation to the deceased within the third degree of consanguinity



Opportunities



Section 7 C

- ❖ Review existing Discretionary trusts with interest –free or low interest loans
- ❖ Amend trust deeds accordingly
- ❖ Make provision for the outstanding loan account

Opportunities



- Section 4q deduction
- Roll – over of R3 500 000 abatement
- Previously disallowed contributions to retirement annuities

Business Opportunities from a Will



7. Liabilities / Laste

	Testator first dying Testateur eersterwende R-value / R-waarde	Testatrix first dying Testatrise eersterwende R-value / R- waarde
Verbande/Mortgage bonds		
Bank overdrafts Oortrokke bankrekenings		
Lenings/huurkope Loans/hire purchase		
Borgskappe / Suretyships		

**LIQUIDITY
SHORTFALL!!!!**

questions[®]

thank you 

