

Selma Jansen died and left the following assets in her estate.

R 900 000,00 Fixed Property

R 270 000,00 Cash Investments at ABSA and Nedbank

R 1 170 000,00 Total Assets

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The liabilities in the estate came to R 150 000,00.

Her will consists of one page.

She bequeathed the fixed property to her daughter, Caren and all cash in the estate, to the rest of her children, Sylvia, Rita and Rayno.

Challenge: Who pays the administration costs and claims against the estate?

Abatement of legacies:

$$\begin{array}{r} \text{Total Liabilities} \\ \hline 1 \end{array} \quad \times \quad \begin{array}{r} \text{Value of individual bequest} \\ \hline \text{Sum total of all bequests} \end{array}$$

Caren must contribute R 115 384,62 calculated as follows:

$$\begin{array}{r} \text{R 150 000,00} \\ \hline 1 \end{array} \quad \times \quad \begin{array}{r} \text{R 900 000,00} \\ \hline \text{R 1 170 000,00} \end{array}$$

= R 115 384,62

Sylvia, Rita and Rayno must jointly contribute R 34 615,38 calculated as follows:

$$\begin{array}{r} \text{R 150 000,00} \\ \hline 1 \end{array} \quad \times \quad \begin{array}{r} \text{R 90 000,00} \\ \hline \text{R 1 170 000,00} \end{array}$$

= R 11 538,46 (each individual contribution)

Anthony Kruger acquired timeshare, during his lifetime.

He wanted to get rid of the timeshare, for over 5 years, prior to his death.

So as to not burden his heirs with this “unwanted” asset, he bequeathed it back to the Timeshare company, in his will.

Estate Duty is payable, in an Intestate Estate, with a net value, of R 15 million.

The surviving spouse and her 2 children are the heirs.

In terms of the provisions of both the Intestate Succession Act and the Wills Act, should a child decline his/her inheritance, “such benefit shall vest in the surviving spouse”

Will this mean that, should the children decline their inheritances, such benefit, to the spouse, will be deductible, in terms of Section 4q?

Is it a deemed donation?

- 1. Life policies, payable to beneficiaries, other than the estate.**
- 2. Request for the subdivision of land.**
- 3. Sale of timeshare.**

What are the executor's duties?

Can you buy or sell a trust?

Can a maintenance claim render an estate insolvent?

George Raubenheimer died on 30 September 1994.

The surviving spouse, Shirley Raubenheimer, died on 11 November 2019.

She left her net estate, of R 6 million, to her 3 children.

What are the estate duty implications, in the estate of the late Shirley Raubenheimer?

Applicable Rebates:

R 1 million : 16 March 1988, to end 2000

R1,5 million : Jan 2001, to Dec 2006

R 2,5 million : Jan 2006, to Dec 2006

R 3,5 million : Jan 2007, onwards

Danie Wessels bequeathed his farm, Vooruitsig, to his nephew, Dirkie Wessels, in his will.

Danie sold the farm Vooruitsig and bought the adjacent farm, Rietkuil, before he died.

Dirkie Wessels is a major and he requires your advice.