

Estates, wills and funerals: Planning for the inevitable

The perfect gift to *those left behind*

Do you have an emergency binder or Life File set up with all your important documents to make emergency situations a little less stressful? What would happen if your spouse passed away suddenly and you had no idea how to manage the family finances, or even how to access your bank account online?

Your Life File is a death preparedness service that enables you to plan your own funeral and document your wishes. It will guide you to create legal and personal documents to be handed over to family members/ executors upon your death.

Everybody should have a Life File that

contains all these important documents that include copies of their last will and testament, ID, marriage certificate, motor vehicle registration documents, insurance policies and tax number. There can be 42 items on your list! This document storage service allows you to store, organise and share all your important documents with loved ones and executors. It will give you peace of mind knowing that all your important documents are safe, secure and accessible by those you trust. Our Life File will assist you!

Get your Life File list today – it's the perfect gift to leave behind for the

people you love. Start getting your file in order now by clicking here <https://bit.ly/3fE830B>.

For funerals with care, compassion and dignity, contact Marisca de Beer, co-owner of Sonja Smith Funeral Group, Roodepoort franchise. She is also a practicing attorney and can assist you with a last will and testament. Contact her on 010 300 9055 or 060 974 4877. To learn more, go to <https://sonjasmith-funerals.co.za/roodepoort-office/>.

Wills lessen the trauma of death

A will is an important part of estate planning and can prevent additional heartache and trauma for your loved ones in the event of your death.

"If a person dies without a will in South Africa, the residue of the deceased's estate (after payment of debts, costs and taxes) must be distributed to his/her heirs under the rules of intestate succession," says Louis van Vuren, the CEO of the Fiduciary Institute of Southern Africa.

"In contrast, having a will in place means that the practical issues around the division of assets and the nomination of an executor can be dealt with," he says.

The rules of intestate succession

In essence, the spouse of the deceased (including a life partner) and the children of the deceased will each inherit a so-called child's portion, provided that such a child's portion is more than R250 000.

The spouse must receive at least R250 000 or the child's portion, whichever is greater. To determine the size of the child's portion, the spouse and all the children are counted as children and the residue of the estate is divided by that number. If the child's portion of the residue is more than R250 000, that is what the spouse and each child will receive. If it is less, the spouse

will receive R250 000 and the children will share what is left in equal shares.

"This division, though fair, can be quite impractical," says Van Vuren. "For example, if the residue of the deceased estate consists of a house of R1m and cash and investments of R260 000, the estate is not that easily divisible. If the surviving spouse is not the natural parent of the children, the situation can be quite sticky." Furthermore, if there is no will, there is no nominated executor to wind up the estate. The Master of the High Court will then appoint an executor after consultation with interested parties. This can be a time-consuming process."

The benefits of estate planning

Appointing an executor

This is the opinion of Louis van Vuren, CEO of the Fiduciary Institute of Southern Africa (Fisa). An executor – or person who will deal with your estate after your death – will be named in your will. Some people choose to nominate a family member to avoid a professional person from having to be paid out of the estate. Is that wise? Van Vuren says if the person has the knowledge and experience, it may save costs.

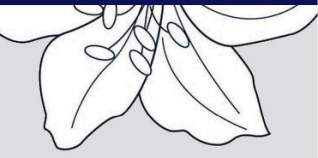
"However, ask yourself, if you were the survivor, how you would handle a situation should a family member mess up the job? Would you demand the removal of a family

member as you would a stranger? If not, steer clear," he warns. "An independent executor can be appointed or an agent can be appointed to help the executor if he/she is a family member or friend."

Updating your plan

Remember to update your estate plan and will should your circumstances change, such as if you get married or divorced or have a child or grandchild. Otherwise, Van Vuren recommends it be updated every two years.

*Fisa is the only professional body in SA focusing solely on fiduciary practitioners in Southern Africa. Visit their website at www.fisa.net.za for more information.



Burial societies: Entrenched in SA communities

There are thousands of burial societies across South Africa.

These community-saving schemes not only help cover the funeral costs of their members and their insured loved ones, but provide support in times of bereavement. These societies are governed by a constitution and have rules about how many family members can be covered and what sums can be paid out. Burial societies pay out quickly and are easy to join, requiring little formal documentation.

They are especially popular in rural and township communities. Although they have stood the test of time, they are largely unregulated and incidences of mismanagement do occur.

