

Laurie Salvador



Where There's a Will . . .

Q: Why should I go to a BC Notary for estate planning?

A: Proud members of a select group of legal professionals commissioned for life by the Supreme Court of British Columbia, BC Notaries are trained to prepare Wills, Powers of Attorney, Representation Agreements, and many other testamentary documents.

Q: Why do I need a Will?

A: We call it good housekeeping—a good-faith gesture for your family and loved ones. If you die without a Will, the Public Guardian and Trustee may become involved in the management of your estate, for a non-negotiable fee set by statute. If you own a company or are in a partnership, provisions need to be made for the operation of that business, should you die. This can be done in advance with a buy-sell agreement through your local Notary.

Q: How can my estate avoid death taxes?

A: We do not have death taxes in BC. Applicable taxes and fees can be avoided or at least postponed. If you die with assets in your name, your estate may have to be probated. A taxpayer is deemed to dispose of all capital property at fair market value upon death. If the property has increased in value, the increase is considered a capital gain and subject to taxation. There is an allowance for a roll-over to a spouse, so the increase is not taxed until the surviving

spouse dies. The longer that period is, the greater the value of the property will be and thus the higher the taxes will be at the death of the second spouse.

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One way to offset this expense is to purchase joint last-to-die insurance. RRSP and RRIF accounts are treated similarly. Since these are funds on which tax has been deferred, the tax is due upon death (the same roll-over to spouse or minor children is allowed). If you have a sizeable RRSP account, the tax implication could be considerable and is due immediately upon death.

Some people choose to give back to their community in the form of legacies to their favourite charity. That can offset or even eliminate some of the taxes. In any event, your estate plan should include provisions for these tax consequences.

Q: Should I do my own Will? I want to provide for my new wife and also for my children from a previous marriage.

A: With today's changing lifestyles, we find there really isn't such a thing as a straightforward estate anymore. We don't recommend Do-It-Yourself Wills because most people are not well versed in the requirements of a legal Will. Just as you would see a dentist to fix your teeth, you can trust a BC Notary to prepare a Will and other testamentary documents, to ensure that your intended beneficiaries receive your estate in the most efficient and cost-effective manner.

People who have been married more than once need to take special precautions to ensure their spouse and children, particularly children from former relationships, are provided for. This can be done within the Will or through a number of other methods. We all like to think we can trust our family members, but when it comes to a death, emotions run high. A rift between the latest spouse and the children of earlier marriages can result in an expensive court action.



The most important legacy you can leave your loved ones is security and a smooth transition of your estate. A properly drawn Will and careful planning can make all the difference. Your local Notary Public can provide you with caring, compassionate advice and help you safeguard your assets. ▲

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