

Why do I need a Will, everything goes to my spouse anyway ?

If you die without a legal Will in place you are classified as having died intestate, in other words no formal directions are in place to distribute your Estate. The laws regarding Estate distribution vary from Province to Province in this situation, however, in almost all the Estate does NOT automatically go to a spouse. Your assets would be split according to the rules of consanguinity or family tree. The distribution times would be protracted, the fees higher, and your wishes might well go unfulfilled. Hardly a situation you should be planning for your family.

One exception to this scenario regards assets registered jointly or where a designated beneficiary is in place. If you own retirement investments, such as RSPs or RIFs please ensure your spouse is your designated beneficiary. Upon your death the proceeds flow directly to your spouse with no tax implications. In addition as the funds do not flow through the Estate no probate fees/estate taxes are payable. This ruling also applies to Insurance Policy proceeds where a beneficiary is provided for. Upon the death of one spouse it makes good Estate Planning to change the beneficiary on RSPs etc. to those who would benefit under your Will, multiple beneficiaries are generally allowed and again the funds flow outside of the Estate. In this instance however Income taxes would be payable not by the beneficiaries but by the estate.

The bottom line however is please put a Will in place!!!! The costs are nominal, the peace of mind you achieve is well deserved, you protect your family from additional problems at the time of their greatest grief, and finally your last wishes and plans that you have worked so hard for are fulfilled.

Call your lawyer today, you won't be sorry!