Holiday Homes and Wills: What you need to know by Sean Burke

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Buying a holiday home can be one of the most satisfying purchases you'll make in your life. Knowing you have a villa or apartment in an exotic climate that

you can escape to is a rare pleasure, and it's one that many people in the UK treasure. However, owning an overseas property can cause complications after

your death. So if you're planning to buy a holiday home, or you've already got one, it's important to consider changing your will or making a new one in the

country in which you own the property.

Since solicitors need to be involved, writing wills can be expensive. Thus, many people that already have a will in the UK don't want to shell out for

another one in a foreign country. While this impulse to save money is understandable, paying a solicitor to help draft a foreign will today is likely to save

your beneficiaries money after your death, and may ensure that your property goes to the people you want it to.

However, the first thing to do is to tell the executor of your UK will that you have foreign property and a foreign will, if it exists. In the UK, your

estate passes to your executor upon your death, who then transfers on any money or property bequeathed to your relatives. If you are domiciled in the UK when

you die, the government will levy inheritance tax on all your assets, including property abroad. If your executor does not know about your holiday home, they

may unwittingly submit an incorrect value of your worldwide assets, which could lead to significant tax penalties that diminish the value of your estate.

Indeed, tax penalties form the basis of another major argument in favour of making a will in the country in which you own your holiday home. If there is no foreign will, then there will be a substantial delay in

passing your property on to your beneficiaries, as documents will need to be prepared, notarised and often translated as well. This can take some time. Since

inheritance tax in some countries may need to be paid within tight deadlines, this unnecessary delay could mean that these deadlines are missed and

additional fines may need to be paid.

Laws are different in every country, so you'll need to do your research carefully or employ a trustworthy solicitor. And if you have property in more than one overseas country - for example, you have holiday homes in Spain and France, as well as your main home in the UK - things can get extra complicated.

Moreover, standard UK wills contain a clause revoking all former wills. This may include a foreign will, so it is advisable to speak to your solicitor about

excluding this clause if you do decide to make an overseas will.

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The author of this article is a part of a digital marketing agency that works with brands like Shoosmiths. The content contained in this article is for

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