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Inheritance and bestowal

Dear Sir or Madam,

Without a last will or an inheritance contract, intestate succession applies. This newsletter gives an overview over the various scenarios.

Law of inheritance without family

In the case of the death of a single person, their entire fortune will pass to their parents. Should these also have passed away, it will be passed on to the parents' other progeny (siblings). Additionally, grandparents and their progeny can be beneficiaries. To sum up, it can be said that the whole family in a broad sense can be inheritors. The older the bequeather the wider the fortune will be distributed.

Recommendation to single persons: Determine an inheritor via your last will. Nominate a person close to you or your partner in life as inheritor.

Law of inheritance with spouse

Childless married couples pass on their fortune to surviving spouse and parents. In lieu of parents (should they have passed away) their progeny benefits. Nominate your spouse as inheritor via last will.

Law of inheritance with family

Married couples with children pass on their wealth to their children and the surviving spouse. In this case, the fortune remains within the family. In many cases no legal inheritance provisions are necessary. Where assets are set up in a complex structure, inheritance provisions are recommended to predetermine the distribution of the estate. Possible solutions: preference of surviving spouse, preference of children, preference of one child, set-up of company's succession, retention of collateral assets within the family, and so on. There are an abundance of options, and good solutions prevent inheritance disputes.

Inheritance contract

With an inheritance contract, two or more people reach a mutual agreement in the case of demise. This contract needs to be notarised. The most frequent case is an inheritance contract between spouses, often in connection with a prenuptial agreement.

Last will

A legally valid last will can be drawn up after one's 18th birthday. It must be handwritten right from beginning to its very end, and can be changed at any time. It is recommended to keep it in a secure place, with the inheritance office probably the best place. Not at home. Who, other than the author, knows where it is kept, and who can guarantee its correct opening? The finder, for example, might have no interest in handing over the will when seeing he or she only gets the statutory share.

Legacies and bequests

With a last will, the bequeather can name lawful heirs or can appoint additional heirs. Example: Mr. Meier is 1/3 heir, etc. Thus a quota has been set.

Legacies can be entered as well.

Example: Mr. Meier receives CHF 10'000.-. Thus, a fixed amount or a specified heirloom can be stipulated.

Combinations are possible: bequests, bequests before death, legacies, purchase rights, etc.

Executor of last will

The appointment of an executor of the last will can be very useful. He or she is impartial and has a neutral position towards the heirs. He or she can contribute to a peaceful distribution of the estate. Should a distribution of the estate happen within the inner circle of a family the appointment of an executor might not be necessary (or, conversely, more necessary than ever).

The following solution may also be viable: should one the heirs so desire, a particular executor of the last will can be appointed as independent executor.

In most cases it is worthwhile contemplating succession and inheritance. A lot of hassle, inconvenience, unnecessary costs and taxes can thus be avoided.

Kind regards

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