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# Life-Interest Wills

## What a life-interest will can do for you

Many clients wish to make provision in their wills for their spouses or partners and for their children. Usually, there are not enough assets to fund payments to the children and clients give all their property to their spouse and hope he/she will leave something for their children.

The dilemma particularly arises where the client has a spouse and children from a prior relationship (blended families).

Life-interest wills can resolve the issue and avoid the 'give all and hope for the best' approach because they allow clients' wills to give their partner the right to use their assets, such as, their share of their residence and to direct that, on the death of the partner, the client's share in the house goes to their own children.

Clients can also obtain a basic level of asset protection through life-interest wills because assets subject to a life-interest do not legally belong to the person having the benefit of the interest (the surviving spouse in the example above). Therefore, they cannot be used to pay rest-home fees for that person, for example.

Life-interest wills are also useful to clients who would like their spouse to have the income from their funds but want to know that the capital will be there for the children when their spouse dies.

Accordingly, life-interest wills can give peace of mind and a measure of asset protection. A life-interest created by a will only comes into existence when the person making the will dies, so less administration is required than with a family trust (for which annual accounts and other formalities, such as, tax returns may be required from the day the trust is created.)

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