



LEGACIES & BEQUESTS

It is often said that there are only two certainties in this life – Death and Taxes.

This is an overworked cliché admittedly but nevertheless so very true. There is nothing we can do about either but as supporters of the Swanage Railway, we can make sure that when we do die, leaving a legacy in favour of The Swanage Railway Trust will ensure that the railway that we love and support will benefit. Furthermore, there is the knowledge that we have played an important part to help the railway remain in operation and to continue providing pleasure and education for future generations.

It is increasingly apparent that the Swanage Railway will never be able to raise sufficient funds from general income and donations alone to provide for the major capital expenditure required to develop the railway. If the long term future of the Swanage Railway is to be safeguarded then we need to find other ways of raising substantial sums of money to provide for these long term plans. Apart from grant aid the one key area which has contributed substantial income in the recent past is from legacies and bequests. It is now recognised this is an increasingly important source of raising the monies required to fund such future capital expenditure.

The majority of us sometime in our lives reach a stage when it comes to deciding how we wish our estate (i.e. money, property and possessions) to be dealt with after our death. After family and friends have been provided for, many of us consider making a bequest to one or more charities. Accordingly, may I make a passionate plea to all of you reading this article, whether as staff and volunteers, as members of the Trust or as members of the travelling public, to please remember the Swanage Railway when you write or review your Will?

The Swanage Railway Trust (Registered Charity Number 1087318) is the charitable body which you should name as the beneficiary to receive any bequests on behalf of the Swanage Railway. Being a registered charity means that the amount of any such bequest is currently exempt from Inheritance Tax in the United Kingdom. This could therefore be a way of reducing the tax to be paid on your estate.

TYPES OF LEGACIES

Here are some examples of types of gifts you can make in your Will.

Pecuniary Bequest

A gift of a fixed sum of money in your Will is called a pecuniary bequest.

Example

"I give to The Swanage Railway Trust, Station House, Swanage, BH19 1HB (Registered Charity Number:1087318) the sum of £..... for its general charitable purposes. I declare that the receipt of the Treasurer, Secretary or other appointed officer for the time being shall be full and sufficient discharge for my Executors"

(Due to inflation the real value of a pecuniary legacy decreases over time. One way of addressing this problem is to state that the sum bequeathed is "index linked" e.g. to the Retail Price Index as at the date of death. Your solicitor will advise further)

Residuary Bequest

A gift of either a part of or the whole of the remainder of the estate after all other bequests have been made and debts cleared is called a residuary bequest.

Example

"I give to The Swanage Railway Trust, Station House, Swanage, BH19 1HB (Registered Charity Number: 1087318) x% of / all the residue of my estate for its general charitable purposes. I declare that the receipt of the Treasurer, Secretary or other appointed officer for the time being shall be full and sufficient discharge for my Executors"

Contingent Bequest

A gift in your Will that depends on something which may or may not take place is known as a contingent bequest. For example: a bequest to a charity which applies only if other beneficiaries named in the Will die before the testator (i.e. the person who made the Will).

Specific Bequest

A gift which can only be used for a specific purpose is called a specific bequest. Normally we ask that any bequest is left to the general fund as outlined in the examples above. This allows the Trustees to use it as they see fit in the light of current priorities and projects which obviously change as time progresses. However, we acknowledge that some potential donors may wish to make a bequest for a specific purpose or in support of a certain project and these views we respect. Rather than decline such bequests and thus lose the benefits of such income, we suggest to those who feel this way that they make a specific legacy. However, we ask that such bequest is written in the widest sense which still allows us to exercise some choice. The following are examples:-

Example

"I give to The Swanage Railway Trust, Station House, Swanage, BH19 1HB (Registered Charity Number: 1087318) the sum of £..... to be used for

- infrastructure works including track and signalling, or*
- maintenance/redevelopment of existing or the building of new stations, or*
- the building of new locomotive/carriage sheds, or*
- the purchase of rolling stock/locomotives in the name of the Swanage Railway Trust or Swanage Railway Company, or*

- *the overhaul/maintenance of rolling stock/locomotives which are at least 51% owned by the Swanage Railway Trust or Swanage Railway Company*

These are just individual examples of Specific Legacies by which you can support a particular area of the railway's activities where you wish your money to be spent but which still give the essential flexibility for the Trustees to make some decisions.

If you feel that you are unable to leave a bequest for the "general charitable purposes" of the Trust (our preferred option) but would be willing to make a specific bequest on the above outlines, we would ask you to please discuss this with us beforehand so that we can ensure that any intended project is still valid. It will also enable both of us to reach a clear understanding of your wishes.

Additionally, "Specific Bequests" also include the donation of a particular named item left as a gift in your Will – for example, a painting, book collection, model railway layout or item of 'railwayana'. Again, if it is your intention to make this type of bequest, may we respectfully request that you contact us beforehand to let us know exactly what you wish to donate? Space on the railway is extremely restricted and whilst we may welcome a small item for display in our museum, something large could cause us a problem and resulting embarrassment if we had to decline it simply because either there was no space to display it, or we could not put it to good use or it would be uneconomical to restore.

IMPORTANT NOTES REGARDING LEGACIES

- Gifts left to UK Charities are currently exempt from inheritance tax. Additionally, if you leave 10% or more of your estate to a charity, inheritance tax will be charged at a lower rate (36% rather than 40%) on the remainder of your estate. However, please refer to the HMRC website to obtain the latest information.
- Writing a Will has to be undertaken in a correct manner and we would always advise you to obtain professional legal advice.
- If you have previously left a bequest to the "Southern Steam Trust" (the former name of The Swanage Railway Trust) we would ask you to please amend your Will by means of a Codicil and change the benefactor to "The Swanage Railway Trust".
- You can add a legacy to your existing Will without the need to have the whole Will rewritten. This is done by means of a Codicil as mentioned above. However, if you are writing a Will for the first time or indeed want to review or substantially amend an existing Will by way of a Codicil, then we do recommend that you consult your solicitor or other legal adviser.
- Please remember that you always have the right to change your mind about a gift should your circumstances change.

Meanwhile, if you would like to discuss your wishes further or if there are any matters about which you are uncertain then please contact me, either in writing at the address below or by e-mail at: legacies@swanagerailway.co.uk. I will then get in touch with you as soon as possible to take the matter forward. All such contacts will be dealt with in strict confidence

Your legacy of the past ensures the future of the Swanage Railway!

Thank you!

Paul Clements

Paul Clements ACIB
Director & Legacy Officer,
The Swanage Railway Trust,
Station House,
Swanage, BH19 1HB

Rev. 0917