

Making a lasting contribution.  
Leaving a legacy to the University of Southampton

# Legacy Help

Legal wording, selecting a fund to support, and tax relief  
information for donors

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## Legacy giving

### A gift that makes a real difference

Since Henry Robinson Hartley made a bequest in 1852 and founded the original Hartley Institution, a tradition of patronage has shaped the University and has enabled it to become a leading teaching and research institution with a global reputation for cutting edge-research and teaching.

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Legacies have supported the development of new buildings; the expansion of library facilities; the funding of numerous teaching and research posts; as well as providing important student support via bursaries and scholarships. The University is benefiting today from the generous pledges made years ago by alumni and supporters.

The University is very grateful for the legacies it receives, especially since we appreciate that the decision to include a bequest to Southampton is very considered and personally significant. In most cases, it allows individuals to make a contribution at a level that accurately reflects their fondness for the University which they perhaps are unable to do during their lifetime.

The University of Southampton is an 'Exempt Charity', meaning that all legacy gifts can be made tax-effectively. The University pays no tax on donations made in your lifetime or after your death. Leaving a legacy to Southampton can also reduce any tax payable by your estate.

Every legacy gift makes a real difference to students and academics at the University. When you make your legacy to the University, you can be secure in the knowledge that your gift will be used in full accordance of your wishes.

We will be happy to talk to you about any ideas you have, or any areas of the University that are of particular interest to you, in order to ensure that we can best meet your wishes in the future.

It is very useful to the University to have any information on legacy pledges so please do get in touch if you intend to include the University in your Will. You can contact a member of the Office of Development & Alumni Relations on either +44 (0)23 8059 7156 or [supportus@southampton.ac.uk](mailto:supportus@southampton.ac.uk)

## Specifying where your legacy will go

Your legacy gift will be spent however you wish. You may decide to support your former School, establish a scholarship programme for talented students or academics, or provide funds to support a particular area of research carried out at the University.

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To assist the University to pursue its priorities, most legacies tend to be directed to one of the following:

- **Unrestricted Funds** – at the discretion of the Vice Chancellor, your legacy will support the area in which the need is greatest at time of its receipt. All unrestricted legacies are always used to support the University's strategic priorities and will not be used to pay for administration costs.
- **Endowment Funds** – an endowment is a ring-fenced fund where only the annual interest accrued will be spent on the designated purpose. This ensures that your chosen area receives annual support in perpetuity.
- **Student Support** – financial support to enable talented and ambitious students to study at Southampton who would otherwise have no means to achieve a University education.
- **Research** – you can nominate a specific area of research that is of interest to you.

Please contact the Office of Development & Alumni Relations, so that we can discuss your wishes in more detail.

## How to leave a legacy to Southampton

If you are making, or amending, your Will in favour of the University of Southampton we hope the following information will be able to assist you. We recommend that you consult a legal adviser when drafting or amending your Will.

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Your Legacy to the University of Southampton may take one of the following forms:

### **1. Residuary Bequest**

A residuary bequest is a gift of all, a percentage or share of your estate after allowing for expenses, pecuniary and specific bequests.

**Suggested wording:**

*'I give to the University of Southampton all (or a percentage or share) of my residuary estate to be applied to general purposes (or your preferred area) of the said University and I declare that the receipt of Registrar and Chief Operating Officer or other authorised officer for the time being of the University shall be good and sufficient discharge of my Executors.'*

### **2. Pecuniary Bequest**

A pecuniary bequest is a gift of a fixed sum of money. If you wish, you may index link the sum so that the value does not reduce due to of inflation.

**Suggested wording:**

*'I give to the University of Southampton the sum of (in figures and words) £/free from all taxes and duties, to be applied to the general purposes (or your preferred area) of the said University and I declare that the receipt of the Registrar and Chief Operating Officer or other authorised officer for the time being of the University shall be good and sufficient discharge to my Executors.'*

### **3. Reversionary Bequest**

A reversionary bequest is a gift of assets to a chosen beneficiary which takes account of the rights of the named person or persons to receive the benefit of those assets during his or her lifetime.

For example, this could enable you to leave your residuary estate to an organisation such as the University, but on condition that a spouse or friend could continue to receive the income of that estate (or continue to live in your house) until he or she died. The capital would then pass to the University on the death of that person.

The suggested wordings above may be adapted to suit your particular needs and wishes.

For further guidance on leaving a legacy gift to a charity, the [Remember a Charity Organisation](#) has a number of publications available.

## USA donors and the British Schools and Universities Fund (BSUF)

If you live in the USA and would like to make a financial donation to the University of Southampton the best way to do so is to make a donation to the British Schools and Universities Foundation (BSUF), stating a preference for the university of your choice. The BSUF is a charitable organisation recognised by the U.S. Internal Revenue Service.

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A provision may be made in your Will or Trust bequeathing money to BSUF, stating a preference to the University of Southampton. The wording suggested below is intended only as a provision in a full Will or Trust containing all appropriate articles.

### **Suggested wording**

I bequeath the sum of \_\_\_\_\_ dollars to British Schools and Universities Foundation, Inc. a charitable organisation under section 501(c)(3) of the US Internal Revenue Service code, and incorporated at 575 Madison Avenue, Suite 1006, New York, NY 10022-2511. Further, I express a preference that the Foundation consider granting aid to the University of Southampton, Highfield Campus, Southampton, SO17 1BJ, to be directed towards \_\_\_\_\_ [insert how you would like your gift to be used]

More information about legacy giving can be found in our [legacy giving section](#). Please contact the [Office of Development & Alumni Relations](#) if you would like to speak to us about your legacy gift.

## Tax relief for legacy gifts (UK)

In the event of death an individual's assets and liabilities pass on to their estate. If the value of the estate, after settling any outstanding debts, exceeds a certain amount the Inheritance Tax is charged on the balance.

Inheritance Tax is charged at 40% on estates exceeding the threshold of £325,000 per individual from April 2009 (often referred to as the nil rate band). As of 7th October 2007, a surviving spouse or civil partner may use any nil rate band that their spouse, or civil partner, did not use against their estate in addition to their own nil rate band – thus increasing the threshold for married couples and those in a civil partnership to £650,000. Certain assets are excluded from the calculation, for example, anything that is left to a spouse or civil partner. The nil rate band will remain at these rates until at least 2014/2015.

The example below highlights the potential tax relief given on an estate and amount of inheritance tax payable if the donor a) left a legacy gift to the University and b) left no legacy gifts in their Will to charity. A larger example can be found [here](#).

If you are making, or amending, your Will in favour of the University of Southampton, we recommend that you consult a legal advisor.

For further information please email [Ellie Shaw](#) or phone on +44 (0)23 8059 9079.

Tax relief for Legacy Gifts		
	Legacy Gift of £40,000 left to the University	No Legacy gift left to the University
Total value of estate	£500,000	£500,000
Less:		
Household bills	£1,500	£1,500
Funeral expenses	£3,500	£3,500
Legacy Gift to the University	£40,000	£0
<b>Total deductible</b>	<b>£45,000</b>	<b>£5,000</b>
Net value of estate	£455,000	£495,000
Inheritance Tax threshold	£325,000	£325,000
Balance of estate chargeable	£130,000	£170,000
<b>Inheritance tax paid at 40% to HMRC*</b>	<b>£52,000**</b>	<b>£68,000</b>
* Nil rate band for individuals 2010/2011		
** A legacy gift to the University shows a tax savings of £16,000		



**Thank you for making a lasting contribution by leaving a  
legacy to the University of Southampton.**

Don't forget to fill out a Legacy Intention Form to inform us of your legacy pledge so we  
can adequately thank you for your support.