



## Stepmother

If anyone has given stepmothers a bad name, it must be Cinderella and Snow White.

Nowadays, stepmothers have a career of their own and the means to live. All they want is to give and to receive some affection. But all the children see is that they are out to get dad's money. When dad goes, she will get a life interest on dad's estate, for the rest of her life. That means that she has the right to live in his houses, to keep the paintings on her walls, to administer his stock and bonds, collect the rent, the interest and the dividends. The only thing she cannot do is to sell the Van Gogh or the apartment in Knokke.

A marriage contract can help reassure them. The future Mrs Dad can waive her entitlement to a life interest, or at least limit it to a life interest in the family home and its contents. Unfortunately, not everyone thinks that far ahead. When Britney married Ernest, the age difference did not matter, to them. They were happy and even his three children, and the grandchildren, accepted her. Well they seemed to? Things turned sour when that stroke took him a couple of years later.

Ernest had always promised that he would look after Britney. And that she would continue to live in the same style. In his will, he left her the life interest in his entire estate. The children could not do anything about it. They inherited the bare ownership of all Ernest's assets. They could not really complain that they had been disinherited. Under Belgian law, they are entitled to a quarter each and they had got more than that. They had each inherited one third of dad's estate, but only for the bare ownership. And that is what was bothering them.

They did not mind Britney's life interest. In fact that is exactly what she would have inherited even if Ernest had not made a will. But if they had to wait for Britney to pass away, they would never see anything during their own lifetime. And what's the use of inheriting all of dad's possessions, if you have to pay inheritance tax while Britney will be holding on to them for the rest of her life? She's so young; she may even outlive all of us.

Their first reaction was to get a full inventory of all the assets, and to have all securities transferred on a security account. At least Britney could not sell the stock and bonds. And then they discovered two rules that protect children from a first marriage against greedy stepmothers.

First of all, they have the right to ask for a conversion of the life interest. And even Ernest could not have denied his children this right. This means that they can oblige Britney to let go of Ernest's possessions. Usually the estate is then divided up between the children and Britney and they all get the full ownership of some things. Alternatively, Britney receives a sum of money or an annuity from the children.

Britney can also ask for the conversion, and she may even be obliged to do so. Indeed, she has to pay inheritance tax on the life interest she inherited, and she does not own anything that she can sell. She can, however, always refuse the conversion for the family home. That means that she is always sure she can live in the family home. And when it becomes too big, she can let it out and spend the rent on something smaller.

Now how do you put a value on the life interest? There are tables that put a percentage on Britney's life expectancy. At 29, that is 86.60 % : the life interest of a 29 year old widow is worth



86.60 % of the assets on which she has a life interest. The inheritance tax code has a similar table to value the life interest, which is slightly less favourable for the widow. That puts Britney's life interest at 68 % of Ernest's estate.

And here another stepmum rule kicks in. Britney's life interest must be calculated as if she was 20 years older than Ernest oldest, Alice. Because Alice is 47, Britney's life interest is calculated as if she was 67. And that puts the value at just over 50 %.

This is still a reasonable chunk, but the inheritance tax code does take account of the 20 year rule. The inheritance tax code may have similar rules to put a value on the life interest, but it does not age her artificially. Britney is still 29, and her share is valued at 68 % for the taxman, while it is only worth 50 % for the stepchildren. That means that she is paying inheritance tax on more than she can possible get.

Maybe Ernest should have given this a bit more thought before he made his will, or even in the marriage contract.

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It is a tax technically recognized symptom : illness : phenomenon. When dad remarries, children develop a Cinderella complex. Leaving aside the emotional feelings that dad's new partner brings, they suddenly develop a fear for their inheritance. What if he leaves everything to that wretched woman who only has married him for his money.

Fhp

Huw contract

Cinderella complex

Koppel weduwnaar kinderen nieuwe partner

Kinderen zien niet graag komen successierechten

Vader overlijdt

Stiefmoeder blijft over

Dna kinderne moeten veel betalen

Stiefmoeder krijgt vgb over hele nalatenschap - kan omgezet worden in volle eigendom via de zgn instandverhouding

Stiefmoeder w 20 j verouderd fiscaal gezien – heks fiscaal gezien

Sedert tijdje de partners kunnen iets wetgevend gaan doen om die rechten ergens gaan beter juridisch regelen beter zodat de kinderen die schrik minder moeten

Marc Quaghebeur

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