

MEDIA RELEASE

Hon. John Hatzistergos MLC Attorney General Minister for Industrial Relations

Tuesday, March 31, 2009

SPOUSES TO GET ESTATES WHEN NO WILLS ARE LEFT

Spouses will automatically inherit the estates of their partners when their partners don't leave a will, under new laws to be introduced to NSW Parliament on Wednesday, said Attorney General John Hatzistergos.

"Changes to intestacy laws will simplify the legal process involving estates when a person dies who doesn't have a will," said Mr Hatzistergos.

Mr Hatzistergos said currently estates of people who don't leave wills are distributed between spouses and their children. Under the new laws children will not be included in the inheritance unless they are from a previous relationship.

The changes reflect a Law Reform Commission survey which found that 75% of people who have a will leave everything to their spouse.

However, fewer than half of those who had children from previous relationships left everything in their will to their spouse. In around 30% of cases they left their entire estate to their children.

"When people die without leaving a will, there is the potential for emotionally charged disputes and legal action as relatives fight over the estate."

"To defuse disputes and simplify the process of dividing an estate, it is important that intestacy laws accurately reflect community attitudes with regard to who should benefit."

Mr Hatzistergos said under further changes to intestacy laws, cousins will be recognised as eligible heirs to the estates of people who die without wills.

The entitlements of first cousins would come, in order of importance, after spouses and children; parents; siblings; grandparents; aunts and uncles.

"The new law will widen the pool of people who can inherit in NSW and recognises that some other jurisdictions in Australia include first cousins in the distribution list under intestacy laws," said Mr Hatzistergos.

Mr Hatzistergos said the estates of people in these circumstances would have previously gone to the Crown.

Intestacy is the default method of distributing someone's estate; ideally people should have a valid will in place, however, 2008 survey by the Public Trustee found 54 per cent of people in NSW did not have a will