

## SHOULD YOU HAVE A SEPARATE ISRAELI WILL?

If you own a real estate property, have funds in a bank account or own other assets in Israel, we strongly suggest that you consider drafting a separate Israeli will. If your intention is that your assets should pass to your heirs as efficiently and quickly as possible, you will achieve that by having a separate will for your property in Israel.

1. Identification here is by number and not by name and so it is extremely important to have a will which identifies the testator by the number with which s/he is registered as the owner of their Israeli property (usually passport numbers for non-Israeli citizens).
2. If you make Aliyah (take up Israeli citizenship) at any future date, we strongly suggest that all assets are re-registered with their Israeli ID numbers and that the wills are updated to refer to this number for identification purposes.
3. Foreign wills are usually complex and contain trusts and other tax planning structures which serve a purpose in your country of residence but which may not be effective in Israel. As a result, it can be much quicker and simpler to get probate of a simple will covering only property in Israel.
4. Death is not a taxable event in Israel and there is currently no inheritance or estate tax here, although you may be subject to tax on your Israeli assets in your country of residence.
5. The Israeli court will not appoint executors who are not resident in Israel so you may wish to provide for separate executors here.
6. An original will is required for probate here and in the absence of either an original or a certified copy with the foreign probate order, a specific application must be made to allow the order to be made on the basis of a copy.
7. The probate registry has a discretion to accept documents in English but they are less likely to do so if the will is long and complex.

If you wish to prepare a separate will for your property in Israel, please note the following:

- a. Property in Israel is registered by block and parcel number and should be identified accordingly in your will. If the property in Israel is registered with a passport number, please check that this is the number of your current passport and a certified copy of this should be kept with your will.
- b. Life insurance policies and certain investments do not form part of your estate and will automatically pass to the beneficiary registered on the policy in the event of your death. You should ensure that the beneficiaries listed on the policy are correct.
- c. If you are making a joint will with your spouse, you should consider whether you wish to allow the surviving partner to alter his or her will after the death of the first partner. The default position in Israel is that the surviving partner **cannot** alter their will without returning property inherited from their spouse under mutual will.
- d. For Jewish couples: if you are a married man and are not leaving all your property to your wife, you may wish to note whether the bequest to your wife includes her entitlement under her Ketubah (marriage contract).
- e. Israeli law does not require you to appoint an executor but it may be advisable if none of your beneficiaries are resident in Israel or if you wish to have a professional or other non-family member dealing with your estate. Since property devolves directly on the heirs at death, in the absence of an executor, the heirs will apply for a probate order and then transfer the assets accordingly.
- f. You may also include provisions relating to guardianship of any minor children. These will not be binding on the court but will allow you to express a preference to be taken into account.

This fact sheet is presented as a general information service only and does not constitute legal or financial advice. You should obtain specific advice before taking (or deciding not to take) any action. Please contact us for further information.