

SUCCESSION PLANNING FOR FAMILIES

The Brazilian Civil Code determines that 50% of the estate of deceased people must go to their direct descendants (children and grandchildren) or, when they do not exist, to their direct ascendants (parents and grandparents). Depending on marital status, spouses or civil partners may also be heirs. Due to this compulsory transfer, people living in Brazil usually do not spend time planning for their succession and wills are rare, moreover when compared to people living in the UK, where wills prevail and people can decide what happens to their assets after they die.

One aspect that people often forget is that, despite the compulsory destination of one half, any people living in Brazil can plan the destination of the second half and even decide what assets (money, property and possessions) will compose each half. It is legally possible to leave one type of assets to one heir and another type to another, as a strategy to mitigate disputes and perpetuate a legacy. I think that everyone has already listened a lot of stories about estates destroyed by dispute and companies broken by incompetent 'next-generation' managers. Succession planning endeavors to avoid that, and wills and special purpose companies are important tools in both organizing the transfer of estates and building a legacy.

Throughout times, people worked to build their legacies. Kings stamped their faces in coins and commissioned statues and palaces; scholars published their works and businesspeople gave their names to their companies, but, above it all, we tried to perpetuate our legacy through our very own descendants and the values we expressed in our life.

Some British citizens of our community could not have heirs, but decided to leave their legacy making generous donations to the foundation. Helen Stacey, [name?] Ashworth and Mary Speers are just some of them who enabled our community to serve our elders with care and respect for the last 70 years. Their philanthropic efforts have also played a fundamental role in keeping the British community together. Would we keep our ties without the plans that these individuals made to their estates? Hardly.

This brief article starts a series of texts focused in succession planning, the value of philanthropy and the importance of building a legacy. We hope they can motivate and engage the community to plan for the next 70 years of the British Society in São Paulo.

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