



## Transferring the ownership of property

This information sheet describes some of the points you may want to consider if you are thinking of transferring the ownership of your house to your children or to someone else.

- If the property is no longer yours you will not be able to sell it, perhaps to move to more suitable accommodation or to a different location.
- You will not be able to use the property to raise income or capital, perhaps for repairs or maintenance or to pay for help to enable you to remain at home.
- If the owners of the property marry, divorce, use the property as security for a loan, become insolvent or there are family disagreements, your occupancy may be put at risk.
- It is important to remember that most older people do not require residential or nursing home care. If you give away your home to avoid paying for long term care, the local authority can treat you as though you still own the capital and refuse to meet care costs. There is no time limit as to how far back the local authority can go in this respect.
- If you retain the right to live in the property the gift could count as a “gift with reservation” and is likely to be included in the value of your estate for inheritance tax purposes.
- The new owner(s) will need to consider the affect of a capital asset if they are in receipt of any means tested benefits (for instance income support).
- The new owner(s) may face a possible future liability for capital gains tax.

**IT IS VERY IMPORTANT THAT YOU CONSULT A SOLICITOR AND ADVISABLE TO DRAW UP A FORMAL AGREEMENT TO SORT OUT PRACTICAL MATTERS SUCH AS RESPONSIBILITY FOR REPAIRS AND MAINTENANCE ETC.**

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