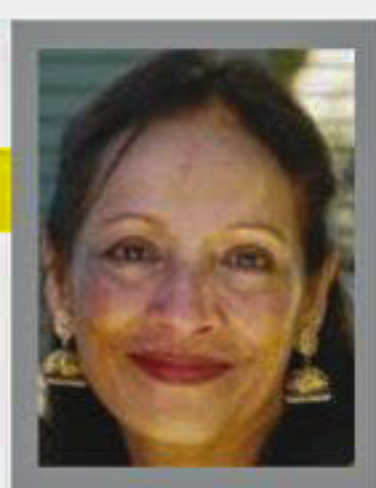


PENNY WISE

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Gifting and guiding your children

None of us know what the future holds for us and being prepared for any eventualities should be a part of our lives. The world has changed and so have people's mindsets.

A well-established lawyer friend of mine once advised me that a parents' property can be gifted during one's lifetime with a caveat inserted ensuring that the gift or 'Heba' can only be effective on demise of both parents.

The reason for the condition is that there have been known incidents where children have thrown their parents out of their homes, spouses of the children sometimes aiding this process.

Greed, which is evil and unexplainable, can make loved ones turn against each other. Siblings who have grown up with so much love and care for each other have turned into enemies and all for wealth.

One also should be extremely careful to give Power of Attorney to anybody unless it is absolutely essential. There are instances of misuse of Power of Attorney.

Muslim Law does not allow wills to be made, but there are other ways of ensuring that our children are not deprived of anything when we pass on.

Under Islamic law parents in their lifetime can execute a 'heba' document gifting property to their children. As in the case of any other legal document, the donor of the Heba should be of sound mind at the time of signing. In the absence of such a Heba document, on the death of parents, property is divided between sons and daughters in the following proportion:

to the son, a portion equal to that of two daughters. If there are two or more daughters, their share would be two-thirds of the inheritance. If there is only one daughter, her share would be half. However, if you have only daughters, other relatives can claim share of the property.

This is when a Heba plays an important role. We live in a world where trust has ceased to exist!

Under an amendment made in 2006 in the Registration Act, all Heba Documents must be registered, in order to be valid. After registration of the Heba document, the other legal process for completion of transfer of property is to mutate the property in the name of the new owners with the Government Record Office and Rajuk (if the land belongs to Rajuk). The new owners can undertake this process even after the death of the donor.

We need to always keep our financial records in order; spouses should share information so that on the demise of one, the other is fully aware of everything. Nothing can be worse than a widow left behind, not only devastated but also totally ignorant.

If you are a taxpayer always remember to submit your assets and liabilities statement every year along with your tax returns. This submission of your assets and liabilities becomes a legal document, which your successors can claim at your demise.

I recently read a true story that happened in a small town in USA about a grandparent giving their only grandchild who lived with

them, the power of attorney to their house and other financial assets. They were getting old and were convinced by the grandson to do this so that when they passed away it would become his without any other formalities that would need to be completed.

The poor grandparents who had agreed out of trust realised soon that their house had been sold and their bank balance syphoned off with whatever savings they had. The grandson of course had run away with his ill acquired wealth. They immedi-

ately notified the mishap, but it was too late.

We are all aware as to how shocking and depraved a human mind can become. It is so important to bring up children with the correct values right from the beginning, to give them top priority at their impressionable age. We do need to look after them, but at the same time to be wary and cautious. Guiding them towards the right path should be our top responsibility.

Photo: Collected



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A Tribute To Syed Fahim Munaim

The reason I started contributing this periodic column in The Daily Star since 2001 is because of the inspiration of Syed Fahim Munaim (then Managing Editor of the newspaper). Fahim introduced me to Raffat Binte Rashid, Editor, Star Lifestyle

He suggested that I should share important information of personal finance, how to invest, how to save, how to share information with spouses what were the legal and tax implications which many women like his wife Nadia are innocent of and which would be of great help to them. So, I started writing for the Life Style section and the rest is history. But it is to Fahim that I owe this effort and hope that it helps other women like Nadia to prepare for sudden shocks that life throws at us.

By Nasreen Sattar
Photo: Star Archive