

What is tenancy?

Where two or more persons take an interest in land by must state whether the persons are to hold as joint tenants or tenants in common. If they hold as tenants in common the share of each person must also be stated.

Joint tenancy

Joint tenants possess a right of survivorship, that is, the interest of a deceased joint tenant passes to the surviving joint tenant(s). This means that a joint tenant does not have an interest in the land that can be passed to another through a will unless they become a sole owner because the other joint tenants have predeceased him or her.

(Most popular with husband and wife)

Company may hold as joint tenants. The estate or interest of a company that is dissolved passes to the remaining joint tenant(s).

Tenancy in Common

Tenants in common do not possess a right of survivorship and on their death their interest passes according to the terms of their will.

If a tenant in common dies intestate (without a will) their estate is distributed according to the Wills, Probate and Administration Act 1898.

Tenancy can be split as 50% each (most common but you can also have any other variations)

Owners, they can therefore hold unequal shares. For this reason the shares of tenants in common must always be shown. Shares may be shown:

as fractions, eg $\frac{2}{5}$ and $\frac{3}{5}$ or

by decimal point, eg 0.75 and 0.25 or

as percentages, eg 60% and 40%.

Note The fractions and decimal point must add up to 1; the percentages must add up to 100; the fractions must have a common denominator, eg $\frac{3}{6}$, $\frac{2}{6}$ and $\frac{1}{6}$ not $\frac{1}{2}$, $\frac{1}{3}$ and $\frac{1}{6}$.

Summary Examples

- Stephen Conroy & Megan Conroy (as Joint Tenant)
- Stephen Conroy & Megan Conroy (Tenancy in Common in equal share)
- Stephen Conroy ($\frac{40}{100}$) & Megan Conroy ($\frac{60}{100}$)

For further advice: Please consult your tax accountant