



The Myth of “Next of Kin”: Why It Does Not Confer Ownership Rights in Nigeria

Introduction

Many Nigerians designate a “next of kin” believing that this person will automatically inherit their assets. That belief is one of the most widespread and most consequential misconceptions in estate planning.

In reality, a next of kin designation does not transfer ownership. Without a valid will, beneficiary nomination, trust structure, or letters of administration, the named individual may have no

legal right whatsoever to access, hold or inherit the deceased’s estate.

Understanding the Role of a Next of Kin

“Next of kin” is not a legal mechanism for transferring ownership. Its role is primarily administrative:

- **Administrative function:** The designation is used by employers, financial institutions, and hospitals to identify a contact person in the event of death or

emergency. It is a point of communication/contact, not a vehicle of inheritance.

- **No automatic inheritance rights:** Under Nigerian law, a deceased person's estate is distributed according to a valid will or, where there is no will, under the applicable rules of intestacy. Entitlement is therefore determined by law—not by next of kin status.
- **Financial assets follow legal structures:** For pensions, life insurance, and similar assets, entitlement is governed by beneficiary nominations, statutory frameworks, and probate or letters of administration. The next of kin designation has no operative effect on these instruments.



- regularly update beneficiary and nominee designations for pensions, insurance policies, and investment accounts.

These steps are particularly important following major life events such as marriage, divorce, childbirth, bereavement, or significant changes in wealth or business interests.

Implications for Families and Beneficiaries

Confusing next of kin status with inheritance rights can create false expectations, delay estate administration, and lead to avoidable disputes.

In practice, this often results in:

- difficulties dealing with banks, employers, and financial institutions;
- delays in accessing funds or transferring assets; and
- in some cases, family disputes, prolonged litigation, and erosion of estate value.

What This Means in Practice

Naming a next of kin is not a substitute for proper succession planning. To ensure clarity and avoid disputes, individuals should:

- put in place a valid will or estate plan;
- review the ownership structure of key assets; and

The Road Forward

A next of kin designation does not determine who inherits—it serves a limited administrative purpose. For individuals, families, and business owners, a structured estate plan is what ensures certainty, continuity, and orderly wealth transfer across generations.

For guidance on structuring your estate and ensuring effective wealth transfer, contact info@scp-law.com or visit www.scp-law.com.

