

ESTATE PLANNING CHECKLIST



Estate planning is often thought of as something that only applies to the very wealthy. In reality, there are several fundamental components of estate planning that everyone should consider to ensure their loved ones are cared for and their legacy lives on as intended. Use the checklist below to help ensure your plan addresses your needs.

1 DO YOU HAVE AN UPDATED WILL?

Two out of three U.S. adults do not have a will.¹ If you die without a will, your estate will be probated, which can be time-consuming, expensive, and public. Even if you have a will, you should review and update it at least every five years.

2 HAVE YOU CHOSEN A GUARDIAN FOR YOUR CHILDREN AND IS IT REFLECTED IN YOUR WILL?

This is difficult to think about and a difficult decision to make, but it's critical that you identify the person(s) who will care for your children in the event something happens to you and your spouse. The guardian you've chosen should be identified in your will.

3 HAVE YOU EXECUTED DOCUMENTS ENABLING OTHERS TO MAKE DECISIONS IF YOU CANNOT?

The following documents are important for you (and adult children over age 18) to have:

- A Durable Power of Attorney that enables someone to make financial decisions.
- A Health Care Proxy (or Durable Power of Attorney for Health Care) that enables someone to make health care and treatment decisions.
- A "Living Will" or advance directive that makes clear your preferences on end-of-life treatments and any continuation of medical care.²

4 HAVE YOU REVIEWED THE TITLING OF YOUR ASSETS, INCLUDING ANY TRUSTS?

Many assets are co-owned by spouses. However, there can be situations where individual or trust ownership may be more appropriate.

5 HAVE YOU REVIEWED YOUR BENEFICIARY DESIGNATIONS?

Some common assets, including life insurance and annuities, transfer to the specific individual(s) identified in the contract (the beneficiary). Beneficiaries of other assets, such as retirement plans (IRAs, 401(k)s) and brokerage accounts, are identified through other processes. They all generally supersede what your will may say, making it critical that they are reviewed regularly and updated as needed.

6 DO YOU HAVE ALL OF YOUR RELEVANT DOCUMENTS PROPERLY STORED IN ONE SAFE PLACE?

These include wills, deeds, birth and marriage certificates, banking and investment account numbers, information on any digital assets, and contact information for your financial professional, attorney, and accountant. They should be secured and shared with a trusted individual.

7 HAVE YOU PROPERLY PLANNED FOR ANY CHILDREN OR LOVED ONES WITH SPECIAL NEEDS?

Establishing a Special Needs Trust can help care for children or loved ones with special needs.

8 HAVE YOU ESTABLISHED A STRATEGY TO PROVIDE FOR A FAVORITE CHARITY?

You can make plans to give to a favorite charity during your lifetime or after you're gone.

9 HAVE YOU ACCOUNTED FOR STATE AND FEDERAL ESTATE AND INHERITANCE TAXES?

Your plan should be reviewed regularly to ensure that you are addressing tax law changes and maximizing exemptions (like the gift tax exclusion, unlimited marital deduction, and federal estate tax exemption) in order to leave more for your loved ones. If you're in a community property state, there may be additional laws and regulations.

10 IF YOU OWN A BUSINESS, HAVE YOU DONE PROPER SUCCESSION PLANNING?

Be sure to establish a plan that accounts for both your expected and unexpected needs.

Benefits of Proper Estate Planning

Proper estate planning can help ensure that your loved ones are protected and your assets are handled according to your wishes, and can also help you:

- Control asset distribution upon your death
- Manage probate costs
- Prepare for potential loss of capacity
- Protect against potential creditor issues
- Plan for care of minors and individuals with special needs
- Protect against the mismanagement of funds
- Manage estate taxes

Life Insurance Can Help Ensure Success

Life insurance can be a very effective tool in the estate planning process and can help you:

- Provide funds to help replace lost income for your family
- Ensure any outstanding debts are paid
- Provide funds for college/higher education
- Fund a Special Needs Trust
- Provide liquidity to help pay any federal and/or state estate taxes that may be due

Meet with your financial professional
to learn more and discuss your individual financial and insurance needs.

¹ 2022 Estate Planning and Wills Survey, Caring.com, accessed July 2022.

² A living will should also include a Health Insurance Portability and Accountability Act (HIPAA) authorization to allow health care professionals to speak to your chosen representative about your protected medical information.

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