

Estate

[Important advice concerning necessary documents for every adult]

What Is an Estate?

Simply put, an estate is all of your belongings, money, and investments. The word estate may sound like a term used to describe only the wealthy, but everyone, regardless of status, has an estate. Your estate is your home, car, bank account, furniture, antiques and collectibles, family heirlooms—everything you own.

For most people, a simple estate plan is all that is required to protect the estate and ensure that it is properly distributed after death. The estate plan may include a Will, a Healthcare POA, Financial POA and a Revocable Family Trust.

Think about your possessions and consider who you want to have them once you are gone. This may not be as easy as it seems. If you don't specify who gets what, you may leave your family fighting over your belongings. Or worse—your estate could end up going to the state instead of a loved one.

There are several excuses people use to avoid estate planning. For example, one of the excuses is that you aren't going to die. If you think you're too busy to take care of it, understand that it only takes a few minutes to create the basic documents. If you don't want to consider death, keep in mind that you will leave your loved ones in a difficult situation should you die without a will.

It's better to be prepared and make sure your loved ones are properly taken care of than to die without a will.

An estate plan protects your family and property after you die or become incapacitated. A strong estate plan indicates decisions regarding your health care and disposition of property after you die. Everyone, regardless of age or status, needs an estate plan.

I am young and have few assets; do I still need an estate plan?

Yes! Everyone may benefit from an estate plan. Your plan may be less complex than one for someone who is older or has more assets. At the very least, include a simple Last Will and Testament along with a Healthcare POA, Financial POA to provide instructions in case you are unable to make important medical / financial decisions for yourself.

Last Will and Testament

A last will and testament is used to distribute a person's possessions and provide directions to loved ones when the person dies. It is not complex to create the proper legal documents to carry out your last wishes. If you are over the age of 18, it's important for you to have a will, even if you don't own many assets to give away.

All adults should have a will in place, regardless of their age, health, and wealth. A will is important for accomplishing the following:

- Naming a personal representative to administer your will and avoid costly court fees**
- Protecting your family and pets**
- Naming a guardian of your minor children**
- Securing your belongings and choosing beneficiaries**
- Communicating your wishes, including making funeral and burial arrangements**

The primary role of a last will and testament is to identify how assets and liabilities will be handled after the testator—the person creating the will—dies. After payment of the debts, taxes, and expenses of administering the estate, the remaining assets that pass through the will are distributed according to its terms.

Wills also serve to identify who will be in charge of handling the

estate and take care of administrative tasks like safeguarding assets, paying final expenses, settling and paying valid debts, and filing and meeting any final tax obligations. All this occurs before any distributions to named beneficiaries and heirs are made. The person in charge of handling the estate is called different things in different states, but most commonly that person is known as the personal representative or executor of the estate.

A will can also nominate a guardian to have physical custody of minor children if a child's parents die before he or she reaches the age of 18.