

# Estate Planning

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**Estate planning is the process of ensuring that your wishes are followed in the event of your severe mental disability or death.**

Your plan should focus on a number of issues, including what should be done for you in a medical emergency, who will make financial decisions for you in the event you cannot, what will happen to your possessions if you die, and who will have custody of your minor children. For those with substantial assets, estate planning can also include the creation of a trust to help minimize taxes and to ensure the proper management of your assets over time.

No matter what your financial worth is now, you need a plan for dealing with the unexpected. By *not* having a plan, decisions about your property and about you (in the case of mental incapacitation) may be made through legal proceedings, not by you or your loved ones. And legal proceedings may yield outcomes that are different from what you would prefer and might even cause unnecessary suffering for your loved ones.

Our estate planning materials are intended to give you an overview of the issues to consider when thinking about long term financial planning. We suggest contacting an experienced attorney or financial planner when creating your own estate plan. Remember that laws surrounding the issues commonly involved in estate planning can vary substantially from state to state, so make sure you are dealing with an experienced individual who is licensed to practice in your state.

## Understanding the Process

Estate planning covers many topics, including:

- **A Will** – A will is a legal document designating the transfer of your property and assets after you die. Everyone should have a will.
- **Powers of Attorney** – This is a document that specifies your wishes in the event you cannot make decisions yourself. The events covered in this document can include health decisions, advanced directives for health decisions (also known as “living wills”), and any other affairs relevant to an individual’s life, family, or business.
- **Trusts and Estates** – An “estate,” means the total tangible assets of any individual. Those with substantial assets may want to take specific steps beyond a simple will. Creating a trust before death can minimize the tax consequences of passing wealth from one generation to the next and address more complex situations.

## Other Options and Concerns

Depending on your assets, there are other estate planning situations to consider. You should be aware of the many options available for trusts, for caring for a living spouse while planning to pass assets to the next generation, for winding down or selling a business, and for supporting charities. Further, as family relationships can be complex, a planned mediation process can also be established before death.

Again, we suggest contacting a financial planner or attorney who specializes in estate planning for more information on these options.

The government also routinely changes rules regarding estate taxes, so it makes sense to periodically check in with your financial advisor.

**Estate planning is not something you do just once. As your life situation changes, you will need to update the relevant documents.**