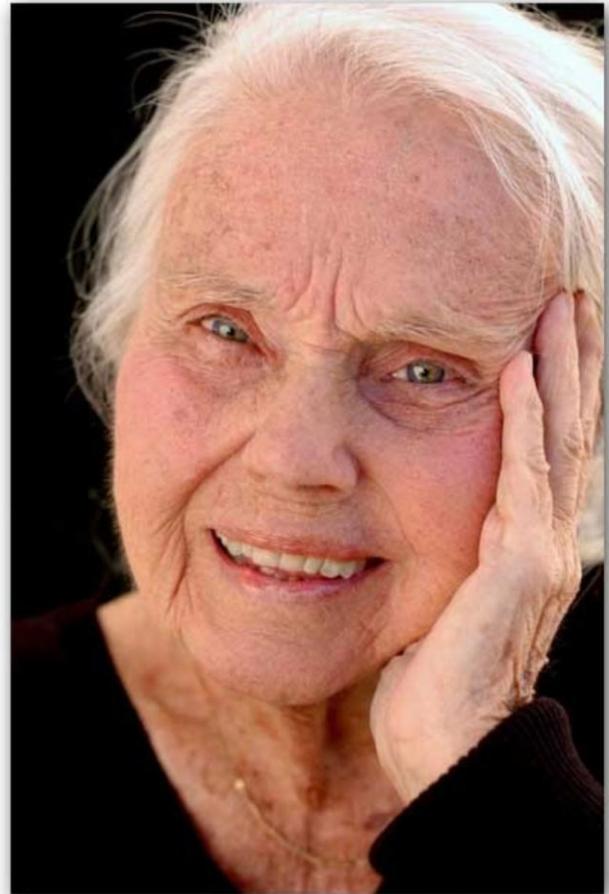


Estate Planning Tasks – Get It Done List

By Kate McCarthy

Many people dread the paperwork involved with planning their estate. It seems like a dreary and difficult task that really should be done, but is often left for later. Yet not doing it creates a horrible mess of red tape, court procedures and could result in the government making decisions about your possessions for you. Not having your estate established is time consuming and often upsetting for your loved ones and can cause friction in your family after you are gone. Getting your estate taken care of ahead of time is the responsible and loving thing you can right now do for your family.

There are only a few essential documents you need to tackle to get your affairs in order. Getting the details tidied up now will free your ones from major hassles and headaches down the road.



Having your affairs in order is a blessing you leave to your loved ones.

Estate Planning To Do List:

✓ Last Will and Testament

Making a will allows you to decide what happens with your children, possessions and property. Items of financial or sentimental value can be distributed as you see fit in a will. You can name guardians for those you provide care for, such as children or pets, as well as designate assets you are leaving behind to provide for their care. You can also state your preferences for burial and leave behind special instructions. Without a will a probate court will make these decisions for you and whatever the court decides will be a matter of public record.

It is important that each spouse in a marriage has their own will. It is also important to update your will whenever any big life changes occur, such as marriage, divorce, birth of a child or purchase of real estate. Moving to a new state means the will may need to be renewed.

It is just as easy to make a new will as it is to change an old one and often it is less confusing than sorting through a series of codicils. Getting an attorney to help is important if there are substantial assets or a legally complicated situation, but for most people it should be a straight forward task that is easy to check off the list.

✓ Durable Power of Attorney

In the case that you can't make your own legal and financial decisions it is important to have chosen someone to act on your behalf. Many elderly put this one off out of fear of losing their independence and control over their decisions. Yet not taking care of this simple task causes major problems your family if you are incapacitated. Your family cannot make legal decisions for you without an established POA. [LawDepot](#) has free power of attorney forms available which work in each state.

In the case that you do not have someone you trust with the responsibility of being your POA, a limited power of attorney can be established with a probate court monitoring all decisions made through a guardianship or conservatorship.

Note that some banking institutions don't accept a general power of attorney document and will require you to fill out their own forms.

For many people establishing power of attorney is as useful as establishing a will and needs to be one of the first things to tick off your list.

✓ **Revocable Living Trust**

A living trust is another way to pass on assets to your loved ones and avoid the expense and frustration of probate. This tool allows you to name a trustee to manage your property. A trust differs from a will in that your property can be distributed before your death and it can be used to provide a savings on taxes. Learn more about the [differences between will and trusts](#). A revocable trust is given that name because you can change it as long as you are mentally competent. A trust is bit trickier than a will, especially if there is substantial property or wealth, and requires an attorney's help to get it checked off the list.

✓ **Beneficiary Designations**

Life insurance, retirement plans and bank accounts all ask for a beneficiary to be named to inherit the proceeds in the case of death. It is important to be crystal clear about the who you want to benefit from these assets as the designation you make take precedence over any instructions you have left in a will. Keep the beneficiary designation paperwork with your estate planning documents and be sure to review and update them with any life changes that occur.

✓ **Health Care Power of Attorney and Living Will**

When establishing a health care power of attorney, you name a person to make medical decisions on your behalf in the case that you are incapacitated. It is different from the durable power of attorney which deals with legal and financial matters.

With a living will you can state ahead of time what types of care you want and don't want in the case that you can't communicate. A combination of a living will and health care power of attorney allow you to share your wishes in an advance

directive form. Making these types of decisions requires a lot of thought and the American Bar Association has put together a tool kit to help sort these decisions and create an [Advance Care Plan](#) that is right for you. Remember that each state has its own requirements so established plans may have to be revisited if you move. Checking both of these items off your list means you can rest assured that there will be no confusion regarding your health care preferences and directives.

✓ Letter of Intent

Special instructions, requests or the sharing of personal and financial information that typically doesn't go into a will can be recorded in a letter of intent. It is used to convey hopes and wishes you have which are not mandatory. A good example would be your instructions on how you want the funeral or memorial service to be organized or your preference on where to hang a painting bequeathed in the will. This letter doesn't carry the legal clout of a will but is a good way to pass on private information which shouldn't be a matter of public record.

Got it done! Now where to put it?

It is very important that your family knows where to find all the documents you have prepared. Make a master list of all the documents so your representative knows what should be there. Include all important papers for life insurance, annuities, pension or retirement accounts, and bank accounts, family records including divorce, birth and adoption certificates. Don't forget to include real estate deeds and any stocks, bonds or mutual funds you have. Another thing to add to your paperwork is a list of bills and accounts, with all the contact information, so it is easy for your representative to close all accounts and settle any final bills.

Once you have all these documents gathered and completed then it is a question of where to store them. A safe at home is probably your best bet but some lawyers can take care of your estate documents for you. Be sure to check the laws before putting them into a safe deposit box at a bank. Some states and local probate laws will require that safe deposit boxes are sealed at time of death which would complicate things and make useless all your efforts to organize your estate ahead of time.

Sources:

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HomeAid Health Care
Helping Hands at Home

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