

Putting Your Financial House In Order

It is a common misconception that estate planning is important for only those with money or who are advanced in age. This myth is a cruel deception. Everyone can benefit by creating an effective estate plan.

Arranging for the distribution of one's wealth is what estate planning is all about. A critical part of estate planning is creating documents that outline your wishes for distributing your wealth after you die. Every individual has an estate plan. If you do not have a formal written will or trust, your estate plan is created out of default. Every State in America has laws governing the distribution of property when a person dies without a Last Will and Testament (i.e. dies intestate). The question is not whether you will have an estate plan, but whether you will have an estate plan of your own selection or one imposed upon you by law.

Traditional estate planning involves creating a will. By preparing a will most people feel they have effectively safe-guarded their family's inheritance. However, this is often a false "peace of mind". A Last Will and Testament outlines your wishes about the distribution of your property after death, but testamentary documents such as wills usually require probate. In preparing only a will, you may be forcing your loved ones through months, even years, of agony in the probate court.

How a Revocable Living Trust Works

When you create a revocable living trust you transfer ownership of all your assets to the trust. It is a written document that allows you, as the trustee(s), unlimited access to and full control of your assets during your lifetime. It also enables you to pass property after your death to family, friends, and others. It allows you to appoint someone to make certain your property goes to the loved ones you choose. The estate plan that you create using Legacy materials is actually a set of documents which usually includes:

- Revocable Living Trust
- Assignment of Personal Property
- Community Property Agreement
- Last Will and Testament*
- Durable Power of Attorney*
 - Health Care
 - Asset Management
- Health Care Directive*
- Certification of Revocable Living Trust
- Assignment Forms and Transfer Notification Letters
- Information for Survivors

Separate documents for husband and wife, when applicable.

Three things are required when you receive your completed estate planning documents. You must:

- Sign and date the documents (“execute” the documents).
- Have your documents witnessed or notarized.
- Fund your trust (i.e. transfer title of all assets to the trust).