



THE ULTIMATE ESTATE PLANNING CHECKLIST

2023

Estate planning can be overwhelming. That's where a good estate planning checklist comes into play. One of the best gifts you can give family members when you pass away is a well-made estate plan. Once you have taken the first step and made an appointment with an expert in estate planning, there are several things you can do to make the most of your first meeting.

Being prepared will help make the process go more smoothly and quickly. It also will help ensure that you get the best advice possible. Putting in a little effort upfront is well worth the effort.

Using the estate planning checklist in this article will help you get ready for estate planning. It also will make it easier to carry through with, maintain and update your estate plan.

This planning checklist can also be used for informational purposes by anyone who is interested in estate planning basics. Perhaps you are thinking about estate planning due to a big life event, like having a child or a serious illness. This article will give you an idea of what an estate plan entails.

WHAT ARE YOUR GOALS FOR ESTATE PLANNING?

Nearly everyone has an estate, and every estate is unique. Most everyone has goals for estate planning. It helps to be clear about them before meeting with an estate planning attorney, financial professionals, or others who may play a role in your estate planning process.

Goals for estate plans vary widely. However, common goals include:

- Ensure the financial well-being of minor children and other family members.
- Support favored charities and causes.
- Minimize estate taxes.
- Avoid probate delays.
- Make sure beloved personal possessions and real estate holdings are passed to the desired parties and prevent disagreements.

If you aren't well-organized, one goal might be to gather all your legal documents and estate planning documents. Before you can do that, however, you need to address a few other matters. First, you have some important decisions to make. Next comes the gathering of documents. Then, before you meet with an advisor, you need to make a few lists of vital information.

ESTATE PLAN DECISIONS TO MAKE

Once you have your goals for estate planning, it is time to start making decisions about your estate.

Beneficiaries

As a starting point, you should consider who will be a beneficiary of your estate. This can be close family members or distant relatives. There are very few rules. You can leave money or physical assets to friends, neighbors, a charity or even pets. You can even make beneficiaries joint owners of assets like a vacation home.

Next, decide who will get what, including property distribution and financial assets. This includes all financial accounts, such as investment accounts, savings accounts, brokerage accounts, mutual funds, and stocks. Put a name to all personal property, physical assets, real estate and intangible assets, such as patents and digital assets.

You should also name the beneficiary for all policies you hold that will pay funds after you pass. These include life insurance policies and retirement accounts.

Custody

It is essential to decide who will take care of your dependents and to provide for their financial well-being. You might consider establishing a trust to provide for their education or a revocable living trust that a guardian can use for their needs.

Power of attorney

You should decide whether you would like a general power of attorney to act on your behalf. This person does not have to be an actual attorney but would be your attorney in fact. You can grant general powers or powers of attorney for specific needs, such as a financial power of attorney to make financial decisions only or a medical power of attorney.

Executor

An estate plan should name an executor who will carry out your plan. You will name someone you trust who has agreed to shoulder the responsibility. The plan also can provide for compensation for taking on what usually is a demanding role.

Living will

A living will, or advance health care directive, spells out your wishes for medical treatment when you cannot make or communicate those decisions yourself. You can also designate someone to make decisions for you. The living will can be fortified by and would reflect any medical power of attorney.

Funeral arrangements

Part of your estate plan can include funeral, burial and related arrangements. This can be as general or as specific as you wish.

Business succession plan

Business owners can lay out their business succession plan, having discussed it with all relevant parties and received buy-in. The estate plan might then include a buy sell agreement. This contract dictates how a partner's share of a business is handled when the partner leaves the business.

The estate planning checklist

Estate planning involves a lot of paperwork. Now is the time to gather your important documents and organize them. This will help streamline the process with advisors like financial professionals and an estate attorney. And just as importantly, it will save trouble for family members and your executor once you pass.

Important papers

For real property assets gather:

- Titles
- Deeds
- Bills of sale
- Loan documents related to any items

For financial assets gather:

- Bank account information for all accounts held
- Credit card account information
- Brokerage account information
- Tax returns, personal and professional

For retirement and insurance accounts, gather:

- Retirement accounts
- Life insurance policies
- Disability insurance policies
- Long-term care policies
- Any other insurance policies

For the estate gather:

- A signed last will
- Power of attorney documents
- Any other legal documents created as part of estate planning

Personal information:

- Birth certificates
- Social Security documents
- Passports
- Marriage licenses
- Divorce decrees
- Prenuptial agreements
- Medical records for family members
- Medical records and information for pets
- Logon information for social media accounts
- Logon information for email accounts and other online accounts
- Obituary, or information you would like included in an obituary
- Healthcare documents
- Any letters you would like to be read after your death

Lists

These lists will augment the information contained in the documents you have gathered. Some lists you may want to create are:

- Physical assets, including approximate value. Include jewelry, paintings, land and water vehicles, artwork, and real estate holdings.
- Digital assets, including email accounts, social media accounts, photos stored on a computer, and e-mail accounts.
- Intellectual property, such as patents or trademarks you may hold.
- Insurance policies, annuities, retirement accounts, pensions, bank accounts, mutual funds, including cash values, beneficiaries and, if applicable, death benefits.
- Liabilities, such as mortgages, lines of credit and credit cards. Include account information, including user-names and passwords, for recurring auto-pay bills that need to be canceled.
- Any organizations you belong to that might have death benefits.
- Contact information for executor.
- Contact information for trustees and beneficiaries.
- Contact information for other financial professionals or a financial agent.

CONSULTING

Whether you have already started with estate planning or are brand new to the process, it is a good idea to consult with estate planning professionals. They can provide legal or tax advice, and help you learn about estate laws and the probate process. Any consultation should include a discussion of these subjects:

WILL

The last will and testament is the primary document most people think of when they think of estate planning. It provides a chance to cover many things, like who gains custody of minor children and the beneficiaries of your assets.

TRUST

A trust is often used by wealthier clients, although nearly anyone can establish one as part of an estate plan. A trust is an attractive option for minimizing tax liability. Trusts offer other benefits as well. A trust is a mechanism whereby funds are held by a trustee for the benefit of a third party. This allows someone to maintain control over how inherited funds are spent. For example, it can restrict the use of money by an heir to educational or housing purposes. Or, it can ensure that minor children are provided for until they can make decisions about how to best spend inherited funds themselves.

A trust can also be a great way to provide for charitable giving. There are some disadvantages to establishing a trust, such as the cost and strict record-keeping requirements, but many wealthy people in particular find that the benefits are well worth the downsides.

POWER OF ATTORNEY

A power of attorney is a legal document that gives someone broad or narrow power to make decisions on someone else's behalf. This power can include the ability to make legal, financial and medical decisions. A durable power of attorney stays in effect until the person who signed the power of attorney dies or expressly revokes the power of attorney. You also can limit your power of attorney to just one area. For example, a durable financial power of attorney allows someone to make only financial decisions on your behalf but no other decisions, such as medical decisions.

HEALTHCARE DIRECTIVES

The most common type of healthcare directive is a living will. Health care directives specify your wishes for medical care if you cannot make or communicate these decisions yourself. These are used in limited situations, such as if you are in a coma, terminally ill or develop dementia. Because tragedy can strike at any time, health care directives are not just for the elderly.

BENEFICIARY DESIGNATIONS

Beneficiary designations name who will receive your assets when you pass away. This can be done through a will, a life insurance policy, a retirement account or through other documents.

FOLLOW THROUGH



After your estate plan has been established you can relax knowing the hard work has been done. However, there may still be some steps you need to take to complete the process. These might include funding trusts or transferring ownership of assets to trusts.

Additionally, it is a good idea to keep your estate plan up to date in response to events like the birth of a child or grandchild, the death of a spouse, and changes in your financial status. Routine reviews with your estate advisors will also keep you abreast of changing tax, inheritance and estate laws.

The experts at Corrales & Co. can help you through every step of the process. Estate planning can seem overwhelming but with the right advisors on your side the process is much easier.